

EXHIBIT 307

Highly Confidential - Subject to Further Confidentiality Review

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

- - -

IN RE: NATIONAL	:	
PRESCRIPTION	:	MDL No. 2804
OPIATE LITIGATION	:	
	:	Case No.
	:	1:17-MD-2804
THIS DOCUMENT RELATES	:	
TO ALL CASES	:	Hon. Dan A. Polster

- - -

Wednesday, February 27, 2019

HIGHLY CONFIDENTIAL - SUBJECT TO FURTHER
CONFIDENTIALITY REVIEW

- - -

Videotaped deposition of KIRK HARBAUER,
held at the Hilton Garden Inn, Perrysburg, Ohio,
commencing at 9:02 a.m., on the above date, before
Carol A. Kirk, Registered Merit Reporter and Notary
Public.

- - -

GOLKOW LITIGATION SERVICES
877.370.3377 ph | 917.591.5672 fax
deps@golkow.com

Highly Confidential - Subject to Further Confidentiality Review

Page 2	Page 4
<p>1 APPEARANCES:</p> <p>2 On behalf of the Plaintiffs:</p> <p>3 MCHUGH FULLER LAW GROUP</p> <p>4 BY: LANCE REINS, ESQUIRE</p> <p>5 lance@mchughfuller.com</p> <p>6 ALLAN (A.J.) L. ELKINS, ESQUIRE</p> <p>7 allan@mchughfuller.com</p> <p>8 (via teleconference)</p> <p>9 97 Elias Whiddon Road</p> <p>10 Hattiesburg, Mississippi 39402</p> <p>11 601-261-2220</p> <p>12</p> <p>13 On behalf of AmerisourceBergen Corporation (via</p> <p>14 teleconference and text/video streaming):</p> <p>15 JACKSON KELLY PLLC</p> <p>16 BY: SANDRA K. ZERRUSEN, ESQUIRE</p> <p>17 skzerrusen@jacksonkelly.com</p> <p>18 50 South Main Street, Suite 201</p> <p>19 Akron, Ohio 44308</p> <p>20 330-252-9060</p> <p>21</p> <p>22 On behalf of HBC (via teleconference and text/video</p> <p>23 streaming):</p> <p>24</p> <p>MARCUS & SHAPIRA LLP</p> <p>BY: ELLY HELLER-TOIG, ESQUIRE</p> <p>ehtoig@marcus-shapira.com</p> <p>One Oxford Center, 35th Floor</p> <p>301 Grant Street</p> <p>Pittsburgh, Pennsylvania 15219-6401</p> <p>412-338-3345</p> <p>On behalf of Walmart (via teleconference and</p> <p>text/video streaming):</p> <p>JONES DAY</p> <p>BY: PATRICIA OCHMAN, ESQUIRE</p> <p>pochman@jonesday.com</p> <p>901 Lakeside Avenue East</p> <p>Cleveland, Ohio 44114</p> <p>216-586-3939</p>	<p>1 ALSO PRESENT:</p> <p>2 Michael Newell, Videographer</p> <p>3 Zachary Hone, Trial Technician</p> <p>4 - - -</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p>
Page 3	Page 5
<p>1 On behalf of Prescription Supply, Inc.</p> <p>2 FOX ROTHSCHILD LLP</p> <p>3 BY: JAMES C. CLARK, ESQUIRE</p> <p>4 jclark@foxrothschild.com</p> <p>5 STEPHAN A. CORNELL, ESQUIRE</p> <p>6 scornell@foxrothschild.com</p> <p>7 (via teleconference and text/video</p> <p>8 streaming)</p> <p>9 2700 Kelly Road, Suite 300</p> <p>10 Warrington, Pennsylvania 18976-3624</p> <p>11 215-345-7500</p> <p>12</p> <p>13 On behalf of Johnson & Johnson and</p> <p>14 Janssen Pharmaceuticals:</p> <p>15</p> <p>16 TUCKER ELLIS LLP</p> <p>17 BY: JEFFREY M. WHITESELL, ESQUIRE</p> <p>18 jeffrey.whitesell@tuckerellis.com</p> <p>19 950 Main Avenue, Suite 1100</p> <p>20 Cleveland, Ohio 44113</p> <p>21 216-592-5000</p> <p>22</p> <p>23 On behalf of McKesson (via teleconference and</p> <p>24 text/video streaming):</p> <p>COVINGTON & BURLING LLP</p> <p>BY: MARY YANG, ESQUIRE</p> <p>myang@cov.com</p> <p>One CityCenter</p> <p>850 Tenth Street, NW</p> <p>Washington, DC 20001</p> <p>202-662-5110</p> <p>On behalf of HBC:</p> <p>MARCUS & SHAPIRA LLP</p> <p>BY: MOIRA CAIN-MANNIX, ESQUIRE</p> <p>cain-mannix@marcus-shapira.com</p> <p>One Oxford Center, 35th Floor</p> <p>301 Grant Street</p> <p>Pittsburgh, Pennsylvania 15219-6401</p> <p>412-338-3345</p>	<p>1 VIDEOTAPED DEPOSITION OF KIRK HARBAUER</p> <p>2 INDEX TO EXHIBITS</p> <p>3 WITNESS PAGE</p> <p>4 KIRK HARBAUER</p> <p>5 CROSS-EXAMINATION BY MR. REINS 9</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p>

2 (Pages 2 to 5)

Highly Confidential - Subject to Further Confidentiality Review

Page 6	Page 8
<p>1 VIDEOTAPED DEPOSITION OF KIRK HARBAUER</p> <p>2 INDEX TO INDEX</p> <p>3 PSI - K. HARBAUER DESCRIPTION PAGE</p> <p>4 PSI - K. Harbauer 1 Letter to Ms. Massey from 24</p> <p>5 Mr. Harbauer, dated March</p> <p>6 25, 1996, Bates-stamped</p> <p>7 PSI-1012.5</p> <p>8 PSI - K. Harbauer 2 Document titled 80</p> <p>9 "Suspicious Order</p> <p>10 Monitoring System, System</p> <p>11 Documentation,</p> <p>12 Introduction and Table of</p> <p>13 Contents," Bates-stamped</p> <p>14 PSI-72519 through 72530</p> <p>15 PSI - K. Harbauer 3 Letter to Ms. Margreta 84</p> <p>16 from Mr. Harbauer, dated</p> <p>17 May 28, 1997, Bates-</p> <p>18 stamped PSI-166566</p> <p>19 PSI - K. Harbauer 4 Suspicious Order 111</p> <p>20 Monitoring Report,</p> <p>21 Bates-stamped PSI-158967</p> <p>22 through 159013</p> <p>23 PSI - K. Harbauer 5 Document titled 126</p> <p>24 "Controlled Substances,"</p> <p>Bates-stamped PSI-0000653</p> <p>and 654</p> <p>PSI - K. Harbauer 6 Spreadsheet Bates-stamped 145</p> <p>PSI-1011.1 and 2</p> <p>PSI - K. Harbauer 7 Prescription Supply 155</p> <p>Maximum Monthly Units for</p> <p>OLS Systems, Bates-</p> <p>stamped PSI-0000274</p> <p>through 297</p>	<p>1 Johnson & Johnson and Janssen.</p> <p>2 THE COURT REPORTER: On the</p> <p>3 phone?</p> <p>4 MS. OCHMAN: Patricia Ochman,</p> <p>5 Jones Day, for Walmart.</p> <p>6 MS. ZERRUSEN: Sandy</p> <p>7 Zerrusen, Jackson Kelly, for</p> <p>8 AmerisourceBergen.</p> <p>9 MR. CORNELL: Stephan</p> <p>10 Cornell, Fox Rothschild, for</p> <p>11 Prescription Supply.</p> <p>12 MS. YANG: Mary Yang with</p> <p>13 Covington on behalf of McKesson.</p> <p>14 MR. ELKINS: A.J. Elkins,</p> <p>15 McHugh Fuller Law Group, for the</p> <p>16 Plaintiffs.</p> <p>17 THE VIDEOGRAPHER: The court</p> <p>18 reporter today is Carol Kirk and</p> <p>19 will now swear in the witness.</p> <p>20 ---</p> <p>21 KIRK HARBAUER</p> <p>22 being by me first duly sworn, as hereinafter</p> <p>23 certified, deposes and says as follows:</p> <p>24 CROSS-EXAMINATION</p>
Page 7	Page 9
<p>1 ---</p> <p>2 PROCEEDINGS</p> <p>3 ---</p> <p>4 THE VIDEOGRAPHER: We are now</p> <p>5 on the record. My name is Michael</p> <p>6 Newell. I'm the videographer for</p> <p>7 Golkow Litigation Services.</p> <p>8 Today's date is February 27th,</p> <p>9 2019, and the time is 9:02 a.m.</p> <p>10 This video deposition is being held</p> <p>11 in Perrysburg, Ohio in the matter</p> <p>12 of National Prescription Opiate</p> <p>13 Litigation for the Northern</p> <p>14 District of Ohio, Eastern Division.</p> <p>15 The deponent today is Kirk</p> <p>16 Harbauer.</p> <p>17 Will counsel please identify</p> <p>18 themselves.</p> <p>19 MR. REINS: Lance Reins for</p> <p>20 the Plaintiff.</p> <p>21 MR. CLARK: Jim Clark of Fox</p> <p>22 Rothschild for Prescription Supply.</p> <p>23 MR. WHITESELL: Jeff</p> <p>24 Whitesell from Tucker Ellis for</p>	<p>1 BY MR. REINS:</p> <p>2 Q. Good morning.</p> <p>3 A. Good morning.</p> <p>4 Q. Can you please introduce yourself.</p> <p>5 A. Yeah. My name is Kirk Harbauer.</p> <p>6 Q. And, Mr. Harbauer, have you been</p> <p>7 through a deposition before?</p> <p>8 A. Never have.</p> <p>9 Q. Okay. I'm sure your counsel has</p> <p>10 probably advised you, but I'll just go over a</p> <p>11 few basic ground rules for today's deposition,</p> <p>12 okay?</p> <p>13 A. Okay.</p> <p>14 Q. All right. Clearly I'm going to</p> <p>15 be asking you some questions here today.</p> <p>16 Because we have a court reporter taking down</p> <p>17 everything we say, I'm going to need you to</p> <p>18 please verbalize all of your answers. No</p> <p>19 "huh-uhs," "uh-huhs" or head nods because those</p> <p>20 can't be taken down, okay?</p> <p>21 A. Very good. I'll do the best I</p> <p>22 can.</p> <p>23 Q. Absolutely.</p> <p>24 A. That's all I can do. I've never</p>

3 (Pages 6 to 9)

Highly Confidential - Subject to Further Confidentiality Review

Page 10	Page 12
<p>1 given a deposition, so ...</p> <p>2 Q. If you hear me say something like,</p> <p>3 "Is that a yes," "Is that a no," that's kind of</p> <p>4 a clue to you that you might have nodded your</p> <p>5 head, okay?</p> <p>6 A. Okay.</p> <p>7 Q. All right. For the very same</p> <p>8 reasons, if you could please let me finish my</p> <p>9 question before you begin your answer. If we</p> <p>10 talk over one another, it makes it very</p> <p>11 difficult for her to do her job, okay?</p> <p>12 A. Okay.</p> <p>13 Q. All right. And, lastly, if you</p> <p>14 answer my question, I'm going to assume you</p> <p>15 understood it and you're telling the truth; is</p> <p>16 that fair?</p> <p>17 A. Yes.</p> <p>18 Q. All right. Now, if you don't</p> <p>19 understand my question, let me know and I'll</p> <p>20 rephrase it. Or if you don't know something,</p> <p>21 you can simply let me know, okay?</p> <p>22 A. Okay.</p> <p>23 Q. Any questions before we get</p> <p>24 started?</p>	<p>1 A. No, I have not. This is --</p> <p>2 this -- I've worked there for over 40 years.</p> <p>3 Q. What does Prescription Supply,</p> <p>4 Inc. do?</p> <p>5 A. We supply pharmaceuticals to</p> <p>6 independent drugstores and some -- a little</p> <p>7 hospital business.</p> <p>8 Q. And you said you began there</p> <p>9 40 years ago; is that right?</p> <p>10 A. That's correct.</p> <p>11 Q. What was your first position?</p> <p>12 A. Well, I worked in receiving.</p> <p>13 Q. And what does that mean?</p> <p>14 A. Just receiving product in the back</p> <p>15 door through the warehouse, unloading trucks,</p> <p>16 putting away stock. It's a family organization,</p> <p>17 so I pretty well have worked almost -- a lot --</p> <p>18 a lot of the jobs all the way through the</p> <p>19 operation.</p> <p>20 Q. And the president is Mr. Thomas</p> <p>21 Schoen; is that right?</p> <p>22 A. Correct.</p> <p>23 Q. And what's your relationship with</p> <p>24 him?</p>
Page 11	Page 13
<p>1 A. No. I'm ready to go.</p> <p>2 Q. All right. Your counsel probably</p> <p>3 advised you as well, this is not meant to be</p> <p>4 a -- some form of torture, so if you've got to</p> <p>5 use the restroom or you need a drink or</p> <p>6 something, you just let us know, okay?</p> <p>7 A. Okay. Very good.</p> <p>8 Q. All right. Sir, are you currently</p> <p>9 employed?</p> <p>10 A. Yes, I am.</p> <p>11 Q. And who do you work for?</p> <p>12 A. Prescription Supply.</p> <p>13 Q. And what do you do for</p> <p>14 Prescription Supply?</p> <p>15 A. I'm the vice president of</p> <p>16 information systems. I wear a lot of hats, but</p> <p>17 that's the main thing I do.</p> <p>18 Q. How long have you held that</p> <p>19 position?</p> <p>20 A. Over 20 years.</p> <p>21 Q. Have you had the same position the</p> <p>22 entire time?</p> <p>23 MR. CLARK: Objection to</p> <p>24 form.</p>	<p>1 A. He is my uncle.</p> <p>2 Q. And is your mother also involved</p> <p>3 in the company?</p> <p>4 A. Yes, she is.</p> <p>5 Q. What's her position?</p> <p>6 A. She's the secretary/treasurer.</p> <p>7 Q. And what's her name?</p> <p>8 A. Jacquelyn Harbauer.</p> <p>9 Q. And you have a sister that's works</p> <p>10 for the company?</p> <p>11 A. Yes.</p> <p>12 Q. Who's that?</p> <p>13 A. Candace Harbauer.</p> <p>14 Q. And what does she do?</p> <p>15 A. She is the point DR -- or she's</p> <p>16 the -- she has a lot of regulatory stuff. I</p> <p>17 don't know what her exact title is, though.</p> <p>18 Q. Do you know what her duties and</p> <p>19 responsibilities as "regulatory stuff" means?</p> <p>20 MR. CLARK: Objection to</p> <p>21 form.</p> <p>22 A. Yes, I do.</p> <p>23 Q. Tell me, if you don't mind.</p> <p>24 A. Basically going through anything</p>

4 (Pages 10 to 13)

Highly Confidential - Subject to Further Confidentiality Review

Page 14	Page 16
<p>1 that the company needs to do legalize --</p> <p>2 legal-wise. Helps us go through all kinds of</p> <p>3 audits and regulatory -- any kind of regulatory</p> <p>4 affairs.</p> <p>5 Q. And I believe you have several</p> <p>6 cousins that work in the business?</p> <p>7 A. Yes, I do.</p> <p>8 Q. And who would that be?</p> <p>9 A. All of my cousins?</p> <p>10 Q. How many do you have working for</p> <p>11 the company?</p> <p>12 A. Well, there's probably five of us,</p> <p>13 I think, or six of them.</p> <p>14 Q. Okay. And who are they and what</p> <p>15 do they do?</p> <p>16 MR. CLARK: Objection to</p> <p>17 form.</p> <p>18 A. Well, Wendy Schoen, which is Tom's</p> <p>19 daughter. Chris Schoen. Rob -- Chris Schoen is</p> <p>20 a sales manager.</p> <p>21 Q. What does Wendy do?</p> <p>22 A. Warehouse employee. Rob Schoen,</p> <p>23 he's the warehouse manager. Jim Schoen is the</p> <p>24 controlled substance manager. And I think</p>	<p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p>
Page 15	
<p>1 that's it.</p> <p>2 Q. Okay. Obviously you've worn a lot</p> <p>3 of different hats over the years.</p> <p>4 A. That's correct.</p> <p>5 Q. I don't want to --</p> <p>6 MR. CLARK: Let him finish</p> <p>7 his --</p> <p>8 A. Oh, sorry.</p> <p>9 Q. That's okay. Sometimes you'll</p> <p>10 know exactly where I'm going.</p> <p>11 Obviously you've worn a lot of</p> <p>12 different hats over the years, 40-year</p> <p>13 experience. You've been working -- or the head</p> <p>14 of information services. How long have you held</p> <p>15 that position?</p> <p>16 MR. CLARK: Objection to</p> <p>17 form.</p> <p>18 A. I've been doing it for the last 20</p> <p>19 at least.</p> <p>20 Q. Okay. And you made it sound like</p> <p>21 you wear a lot of hats even within that</p> <p>22 position. What types of things are you</p> <p>23 responsible for?</p> <p>24 MR. CLARK: Objection; form.</p>	<p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p>

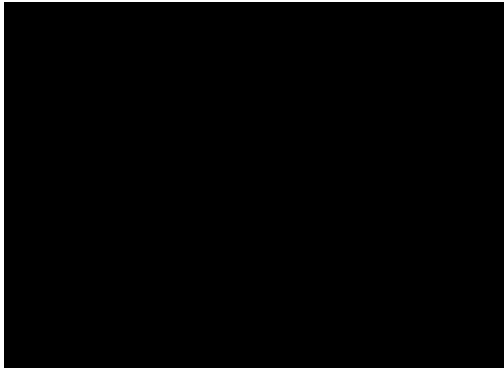
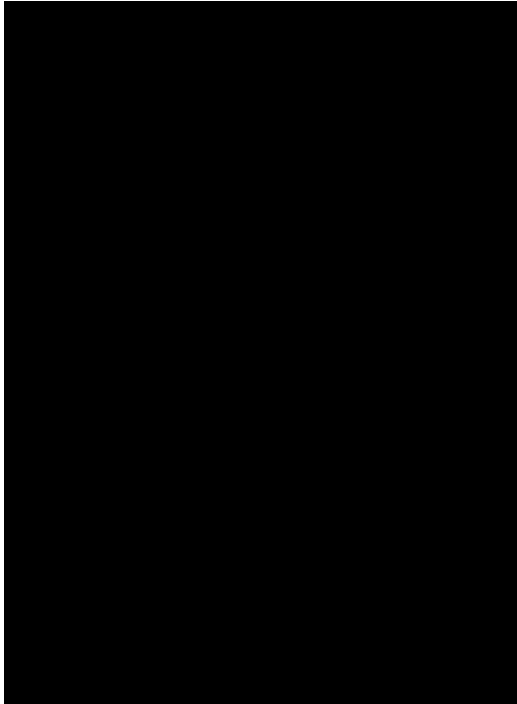
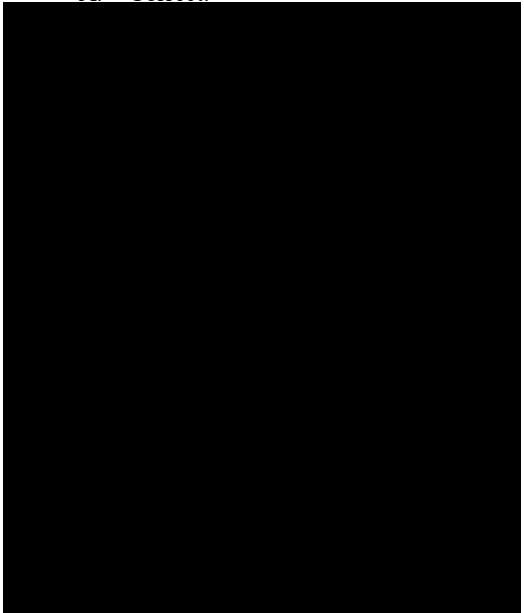
5 (Pages 14 to 17)

Highly Confidential - Subject to Further Confidentiality Review

Page 18	Page 20
<p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 [REDACTED]</p> <p>7 [REDACTED]</p> <p>8 [REDACTED]</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 [REDACTED]</p> <p>15 [REDACTED]</p> <p>16 [REDACTED]</p> <p>17 [REDACTED]</p> <p>18 [REDACTED]</p> <p>19 [REDACTED]</p> <p>20 nervous. I found something I can answer.</p> <p>21 Q. Don't get excited. We're not</p> <p>22 going to stay here long.</p> <p>23 A. This is the life I live, okay, so</p> <p>24 I work --</p>	<p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 [REDACTED]</p> <p>7 [REDACTED]</p> <p>8 [REDACTED]</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 [REDACTED]</p> <p>15 [REDACTED]</p> <p>16 [REDACTED]</p> <p>17 [REDACTED]</p> <p>18 [REDACTED]</p> <p>19 [REDACTED]</p> <p>20 [REDACTED]</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p> <p>23 [REDACTED]</p> <p>24 [REDACTED]</p>
Page 19	
<p>1 Q. I feel like I'm in a Peanuts</p> <p>2 cartoon right now.</p> <p>3 A. No. No. I didn't mean to bring</p> <p>4 it up if -- you know, unless you need me to.</p> <p>5 Q. No. It's fine. You're answering</p> <p>6 my question.</p> <p>7 Moving along, though, AS -- you</p> <p>8 said A52 web developer, what does that mean?</p> <p>9 MR. CLARK: Objection to</p> <p>10 form.</p> <p>11 A. I'm sorry. What's the question?</p> <p>12 Q. You said another function that you</p> <p>13 do -- I thought -- I wrote down A52 web</p> <p>14 development. Is that correct or no?</p> <p>15 A. That's -- I don't believe I said</p> <p>16 that.</p> <p>17 Q. Okay.</p> <p>18 A. Okay. So I said, I'm a web</p> <p>19 developer. I work on web applications that</p> <p>20 Prescription Supply may use with their</p> <p>21 operations.</p> <p>22 Q. Got it.</p> <p>23 [REDACTED]</p> <p>24 [REDACTED]</p>	<p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 [REDACTED]</p> <p>7 [REDACTED]</p> <p>8 [REDACTED]</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 [REDACTED]</p> <p>15 [REDACTED]</p> <p>16 [REDACTED]</p> <p>17 [REDACTED]</p> <p>18 [REDACTED]</p> <p>19 [REDACTED]</p> <p>20 [REDACTED]</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p> <p>23 [REDACTED]</p> <p>24 [REDACTED]</p>

6 (Pages 18 to 21)

Highly Confidential - Subject to Further Confidentiality Review

<p style="text-align: right;">Page 22</p> <p>1 </p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12 Q. All right. We went through a</p> <p>13 number of your hats. Any that we haven't</p> <p>14 discussed yet?</p> <p>15 A. Well, that's the main ones.</p> <p>16 Q. All right. Obviously one of the</p> <p>17 things we're going to talk about here today is</p> <p>18 you were responsible for complying with the</p> <p>19 federal regulations regarding suspicious order</p> <p>20 monitoring.</p> <p>21 MR. CLARK: Objection to</p> <p>22 form.</p> <p>23 Q. Is that accurate?</p> <p>24 MR. CLARK: Same objections.</p>	<p style="text-align: right;">Page 24</p> <p>1 we're going to look at is PSI-1012. It's going</p> <p>2 to be page 5.</p> <p>3 And for the record purposes, this</p> <p>4 is going to be PSI-66568.</p> <p>5 A. Okay.</p> <p>6 (Discussion held off the record.)</p> <p>7 ---</p> <p>8 (PSI - K. Harbauer Exhibit 1 marked.)</p> <p>9 ---</p> <p>10 BY MR. REINS:</p> <p>11 Q. All right. So we're now looking</p> <p>12 at correspondence here. Can you see it okay?</p> <p>13 A. Yes, I can.</p> <p>14 Q. All right. And specifically this</p> <p>15 is a letter on the letterhead of Prescription</p> <p>16 Supply, Inc. I'm going to say PSI for short.</p> <p>17 You're going to know what I mean, right?</p> <p>18 A. Yes.</p> <p>19 Q. Yes, sir. And then we've got this</p> <p>20 is March 25th, 1996. And this is to Ms. Massey.</p> <p>21 Do you -- this is someone that you would have</p> <p>22 coordinated with at the DEA; is that right?</p> <p>23 A. Correct. She was an agent at the</p> <p>24 Cleveland office.</p>
<p style="text-align: right;">Page 23</p> <p>1 </p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22 Q. Okay. Probably a good time to go</p> <p>23 through the history of how you guys did things</p> <p>24 for various time periods. So the first thing</p>	<p style="text-align: right;">Page 25</p> <p>1 Q. Okay. So we'll kind of zero in on</p> <p>2 that first paragraph. And of course you</p> <p>3 authored this letter, correct?</p> <p>4 MR. CLARK: Objection to</p> <p>5 form.</p> <p>6 A. Correct.</p> <p>7 </p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p>

7 (Pages 22 to 25)

8 (Pages 26 to 29)

Highly Confidential - Subject to Further Confidentiality Review

Page 30	Page 32
<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>	<div>1 Q. Okay.</div> <div>2 A. I mean ...</div> <div>3 Q. Do you know what type of data</div> <div>4 specifically was being submitted, i.e. were</div> <div>5 there variances reported in the customer's</div> <div>6 ordering regarding frequency, amounts, things of</div> <div>7 that nature?</div> <div>8 MR. CLARK: Objection to</div> <div>9 form.</div> <div>10 Q. Let me rephrase. Do you know if</div> <div>11 any -- if it actually would identify suspicious</div> <div>12 orders, meaning orders of unusual size,</div> <div>13 deviating substantially from a normal pattern,</div> <div>14 or orders of unusual frequency, do you know if</div> <div>15 that was identified in those prior reports?</div> <div>16 MR. CLARK: Objection to</div> <div>17 form. I'm just going to note my</div> <div>18 objection on the record to the time</div> <div>19 period we're talking about here</div> <div>20 being outside the bounds of Special</div> <div>21 Master Cohen's rulings on what</div> <div>22 we're allowed to be asking about.</div> <div>23 MR. REINS: Okay.</div> <div>24 A. Okay. Can you restate the</div>
	Page 33
<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>	<div>1 question now so I get it right?</div> <div>2 Q. I just wanted to finish this line</div> <div>3 of inquiry as to what type of information would</div> <div>4 be inquired --</div> <div>5 A. Okay.</div> <div>6 Q. -- would be identified in the</div> <div>7 report.</div> <div>8 MR. CLARK: Same objection</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 Q. All right. So now getting back to</div> <div>20 this correspondence.</div> <div>21 A. Okay.</div> <div>22 Q. This will be Plaintiff's Exhibit</div> <div>23 Number 1. Next line says, "We have recently</div> <div>24 completed the necessary updates to transfer this</div>

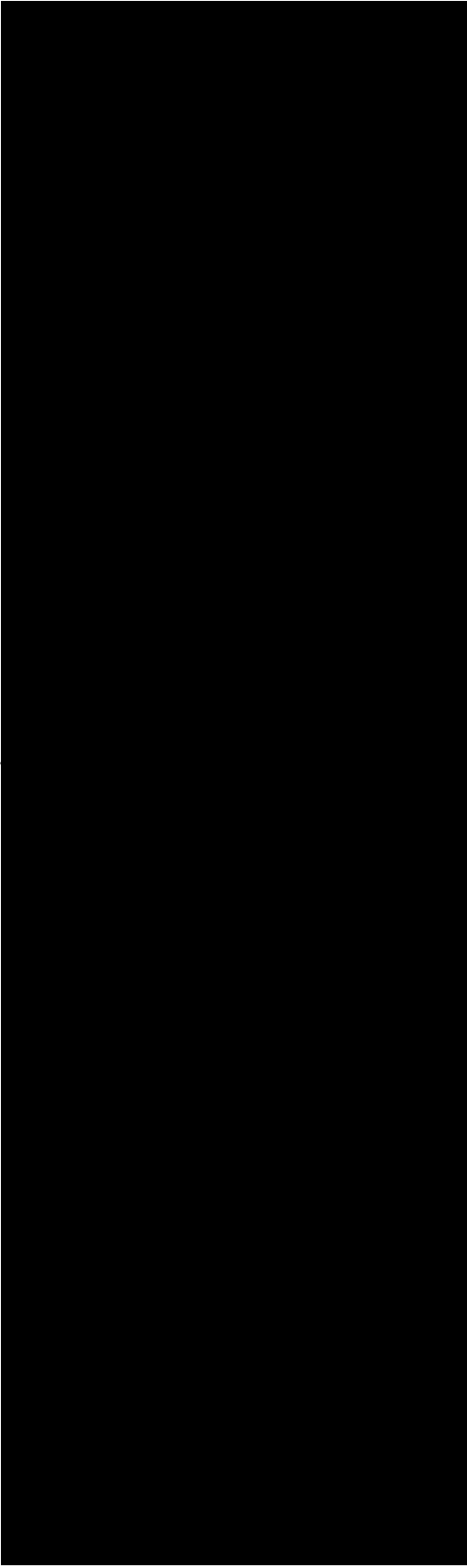
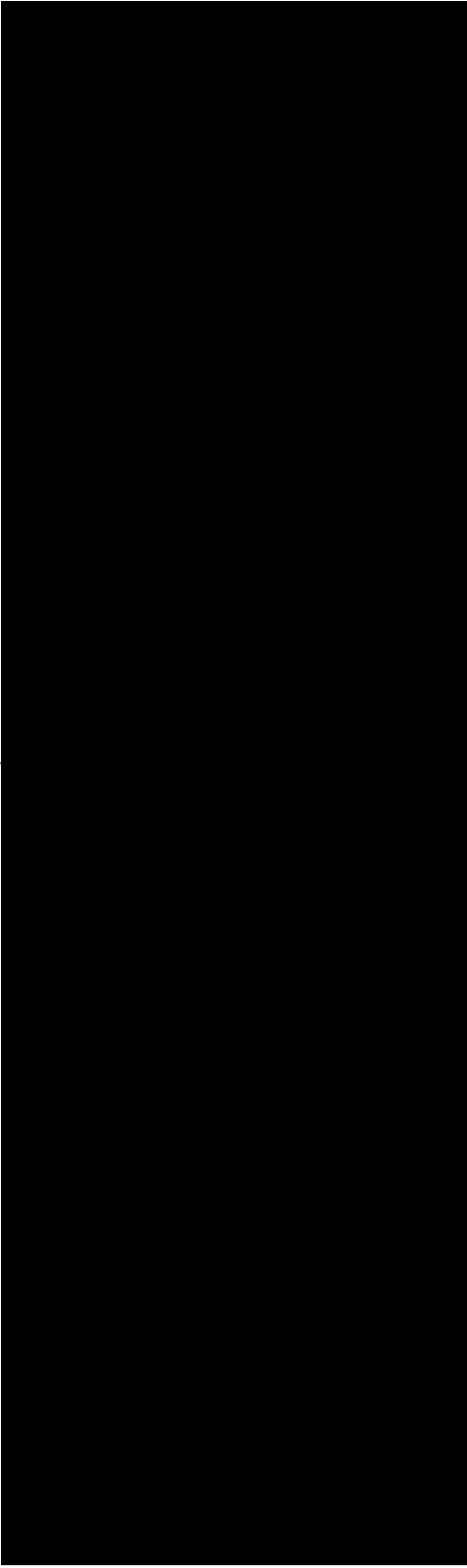
9 (Pages 30 to 33)

Highly Confidential - Subject to Further Confidentiality Review

Page 34	Page 36
<div>1 function to our computer system."</div> <div>2 Can you explain what was done?</div> <div>3 MR. CLARK: Objection to</div> <div>4 form.</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>	<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>
<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>	<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 MR. CLARK: Objection to</div> <div>24 form.</div>

10 (Pages 34 to 37)

Highly Confidential - Subject to Further Confidentiality Review

Page 38	Page 40
<p>1 Give me a second to object 2 and then you can answer. 3 THE WITNESS: Sorry. 4 MR. CLARK: I know it's 5 tough. You're doing fine. 6 Objection to form. 7 Go ahead. 8 A. I kind of forgot the question. 9 Q. That's okay. So -- and that's 10 probably something I should probably add to 11 my -- so your counsel has the opportunity to 12 object to the form of my question. It's a legal 13 objection preserving it for a date and time to 14 deal with the Judge later, potentially. It is 15 not meant to distract you or inhibit the 16 deposition process. 17 A. Am I allowed to answer if he 18 objects then? 19 Q. You are. 20 MR. CLARK: Unless I tell 21 you -- instruct you not to answer. 22 A. Okay. 23 Q. Without question, you're allowed 24 to answer unless you're told specifically not</p>	<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24</p> 
Page 39	
<p>1 to. 2 A. Okay. 3 Q. But because there are some -- a 4 frequency to the objections, maybe just wait a 5 moment, let him object, and then -- and then 6 answer. 7 A. Okay. 8 Q. Make sense? 9 A. Yes. Thank you. 10 Q. Okay. And let me rephrase the 11 question. 12 We're talking about this updating 13 of the system around 1996. I say "update." It 14 really is the development of the computerization 15 of the -- all of the job functions, frankly, of 16 PSI, right? 17 MR. CLARK: Objection to 18 form. 19 Q. Let me do this: I have you here, 20 so you can say it better. Tell me exactly what 21 was -- this computer systems that you were 22 implementing, what was the goal and the purpose? 23 MR. CLARK: Objection to 24 form.</p>	<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24</p> 

11 (Pages 38 to 41)

Highly Confidential - Subject to Further Confidentiality Review

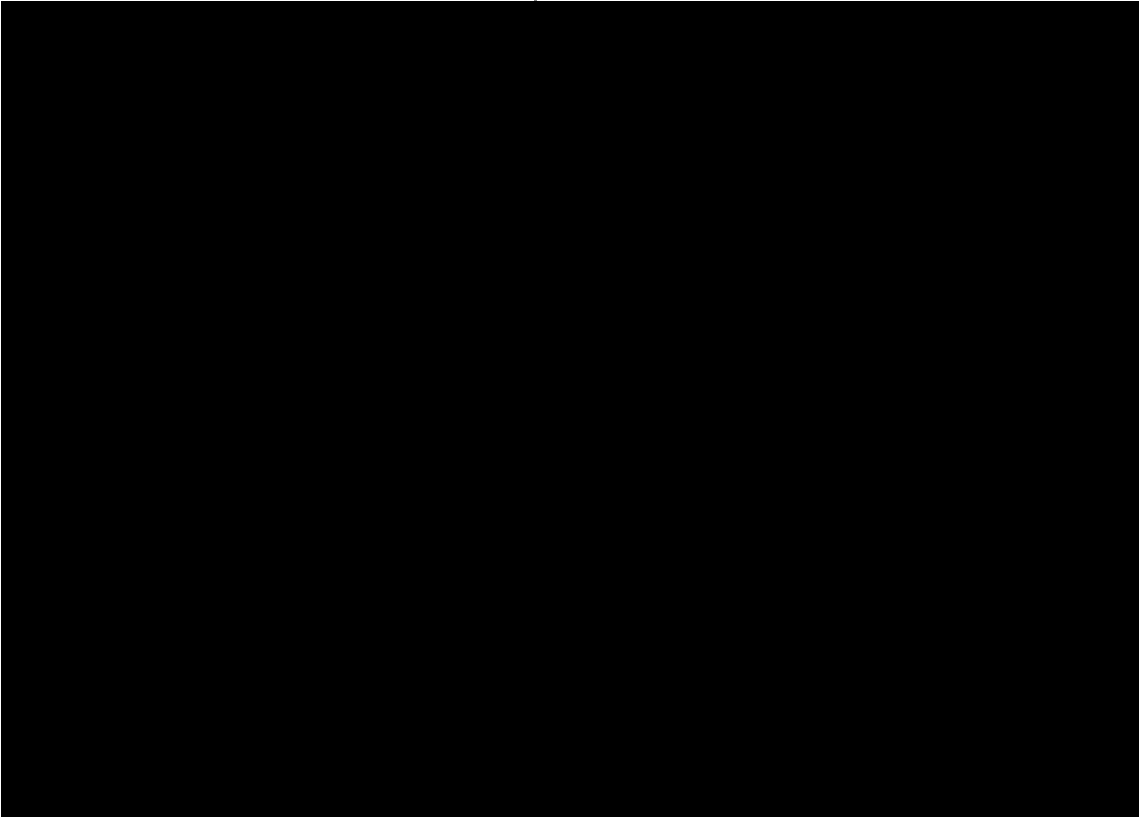
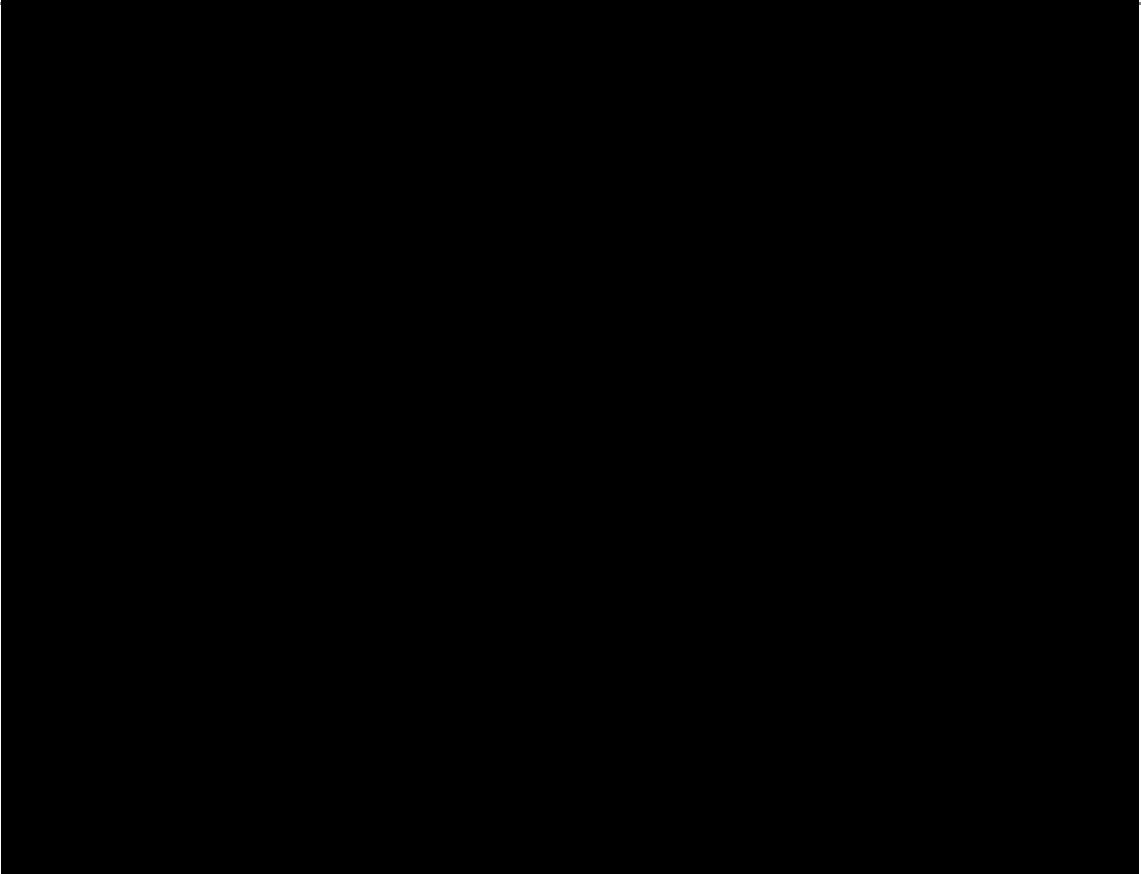
Page 42	Page 44
<p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 And I'm not sure if that's the</p> <p>7 question you asked exactly, but if you could go</p> <p>8 back on it, I'll try to fill you in the best I</p> <p>9 can.</p> <p>10 Q. No. That was great.</p> <p>11 A. Okay.</p> <p>12 Q. What did the new system -- I guess</p> <p>13 the driving force, what was the driving force of</p> <p>14 wanting the new system?</p> <p>15 MR. CLARK: Objection to</p> <p>16 form.</p> <p>17 A. I think I pretty well answered</p> <p>18 that. Just to keep the system current and --</p> <p>19 and try to fill the needs that were put forth in</p> <p>20 front of us in Prescription Supply.</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p> <p>23 [REDACTED]</p> <p>24 [REDACTED]</p>	<p>1 BY MR. REINS:</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 [REDACTED]</p> <p>7 [REDACTED]</p> <p>8 [REDACTED]</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 [REDACTED]</p> <p>15 [REDACTED]</p> <p>16 [REDACTED]</p> <p>17 [REDACTED]</p> <p>18 [REDACTED]</p> <p>19 [REDACTED]</p> <p>20 [REDACTED]</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p> <p>23 [REDACTED]</p> <p>24 [REDACTED]</p>
<p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 Q. Okay. Now, I guess this one</p> <p>7 line -- because I don't want to oversimplify.</p> <p>8 A. Right.</p> <p>9 Q. You're really the IT</p> <p>10 informations --</p> <p>11 A. This is --</p> <p>12 MR. CLARK: Hold on. Let</p> <p>13 him --</p> <p>14 THE WITNESS: Oh, I'm sorry.</p> <p>15 MR. CLARK: I know it's a</p> <p>16 little bit unnatural, but let</p> <p>17 him --</p> <p>18 THE WITNESS: I know. I'm</p> <p>19 sorry.</p> <p>20 MR. CLARK: You're doing</p> <p>21 fine.</p> <p>22 THE WITNESS: I'm doing the</p> <p>23 best I can. I am, honest.</p> <p>24</p>	<p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 [REDACTED]</p> <p>7 [REDACTED]</p> <p>8 [REDACTED]</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 [REDACTED]</p> <p>15 [REDACTED]</p> <p>16 [REDACTED]</p> <p>17 [REDACTED]</p> <p>18 [REDACTED]</p> <p>19 [REDACTED]</p> <p>20 [REDACTED]</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p> <p>23 [REDACTED]</p> <p>24 [REDACTED]</p>

12 (Pages 42 to 45)

Highly Confidential - Subject to Further Confidentiality Review

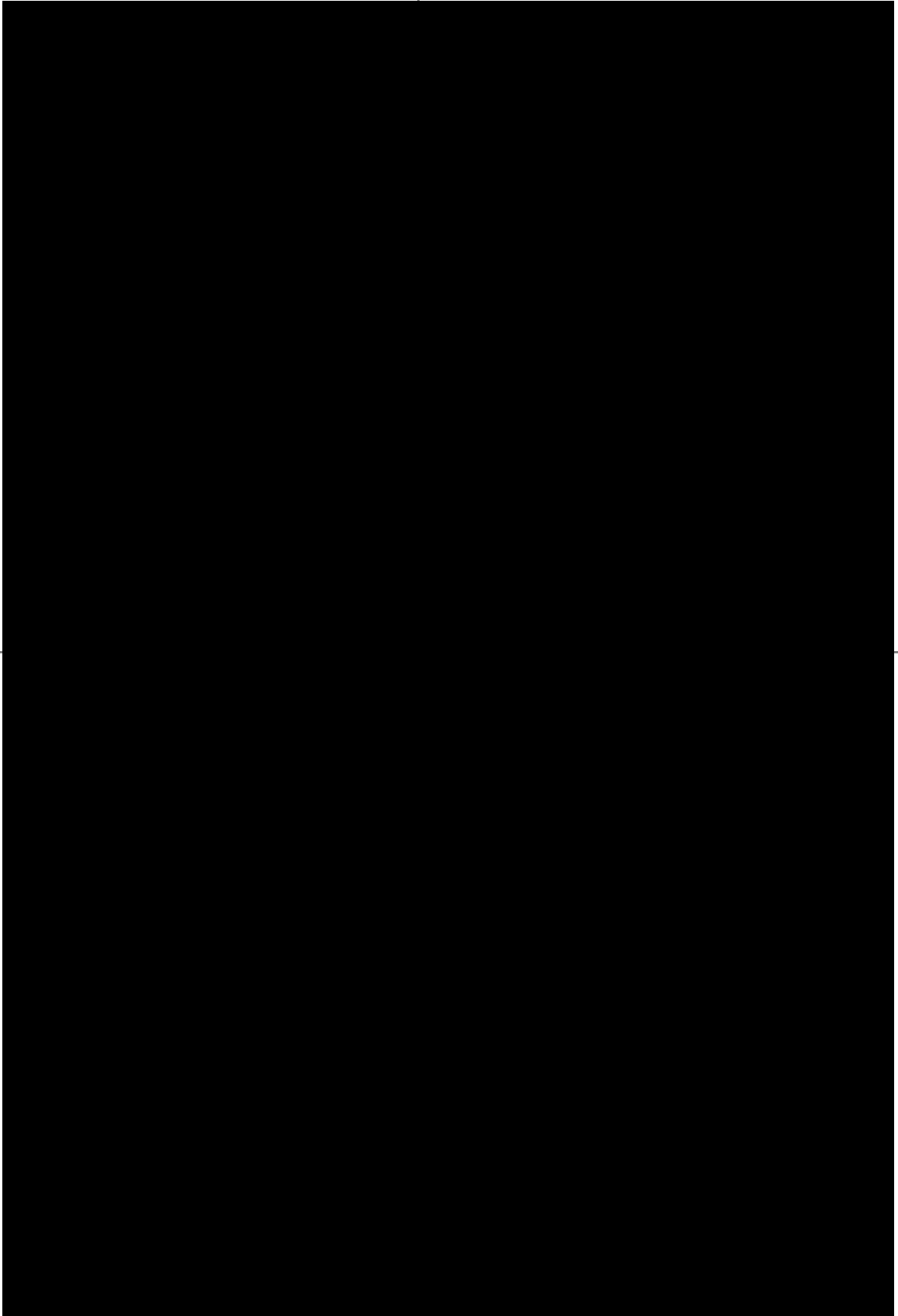
Page 46	Page 48
<p>1 Q. Okay. That's fair. All right. 2 If we can step out of there. 3 MR. CLARK: Are you done with 4 that? 5 MR. REINS: Yeah, I think so. 6 MR. CLARK: Did you mark it? 7 MR. REINS: I marked it as 1. 8 MR. CLARK: Okay. 9 MR. REINS: So I need to -- 10 yeah. Can I grab that? Thanks. 11 [REDACTED] 12 [REDACTED] 13 [REDACTED] 14 [REDACTED] 15 [REDACTED] 16 [REDACTED] 17 [REDACTED] 18 [REDACTED] 19 [REDACTED] 20 [REDACTED] 21 [REDACTED] 22 [REDACTED] 23 [REDACTED] 24 [REDACTED]</p>	<p>1 BY MR. REINS: 2 Q. We're going to look for a moment 3 now at -- there's what's called discovery 4 responses. That's where the company has 5 provided some discovery responses to questions 6 that we had posed regarding these types of 7 issues, reporting specifically. 8 A. Okay. 9 Q. And this is going to be 10 Prescription Supply, Inc.'s Second Amended 11 Objections and Responses to Plaintiffs' First 12 Combined Discovery Request. If we can look at 13 page 2. And if we can look in the second 14 paragraph kind of midway through. 15 [REDACTED] 16 [REDACTED] 17 [REDACTED] 18 [REDACTED] 19 [REDACTED] 20 [REDACTED] 21 [REDACTED] 22 [REDACTED] 23 [REDACTED] 24 [REDACTED]</p>
<p>1 2 3 4 5 6 7 8 Q. So -- yeah. So my question was, 9 was who within the company came up with the 10 formula, which we will be talking about in a 11 moment, which might be a better time. Maybe 12 that will jog your memory. Let's do it now, 13 actually. 14 So we have been produced some 15 information. And this is going to be PSI-1013. 16 For record purposes, it's going to 17 be produced as PSI-72519 through 72530. 18 MR. CLARK: Lance, do you 19 have a copy of that for me? 20 MR. REINS: I do, actually. 21 MR. CLARK: Thank you. 22 MR. REINS: You're welcome. 23 Actually, before we get to 24 that, can you pull up PSI-1008.</p>	<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24</p>

Highly Confidential - Subject to Further Confidentiality Review

Page 50	Page 52
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>	
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>	

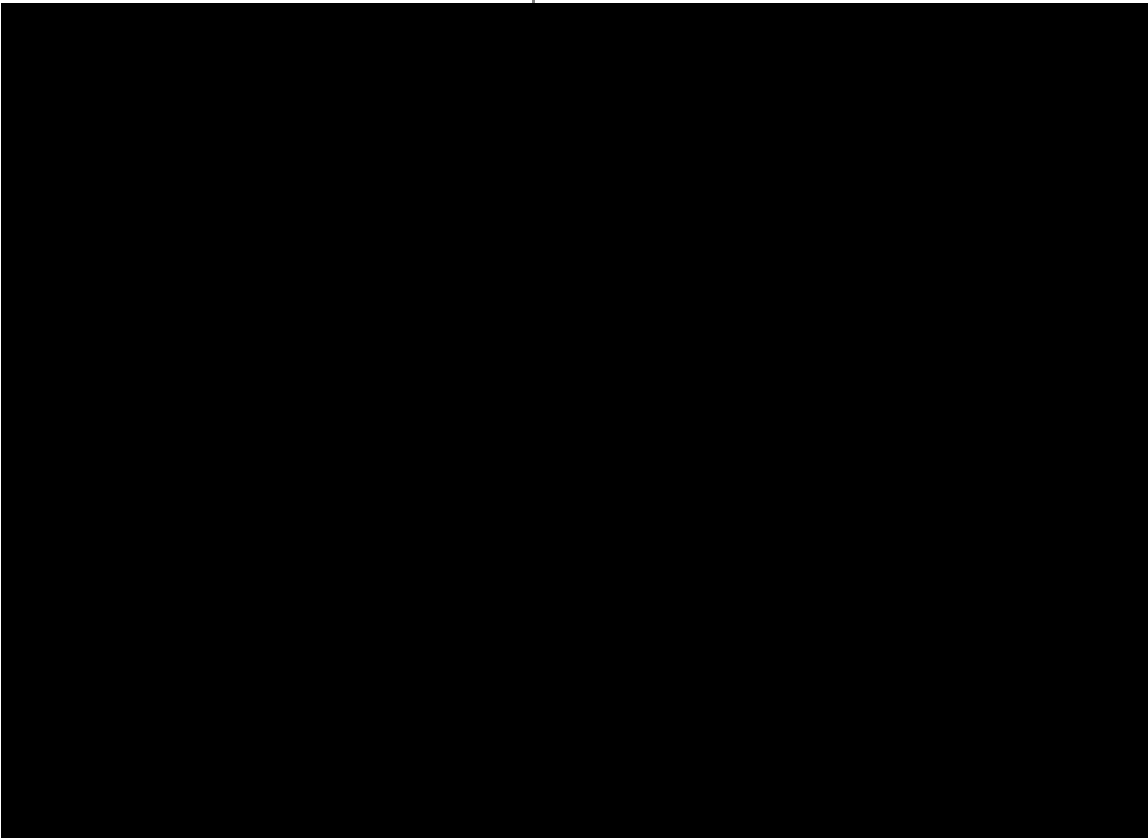
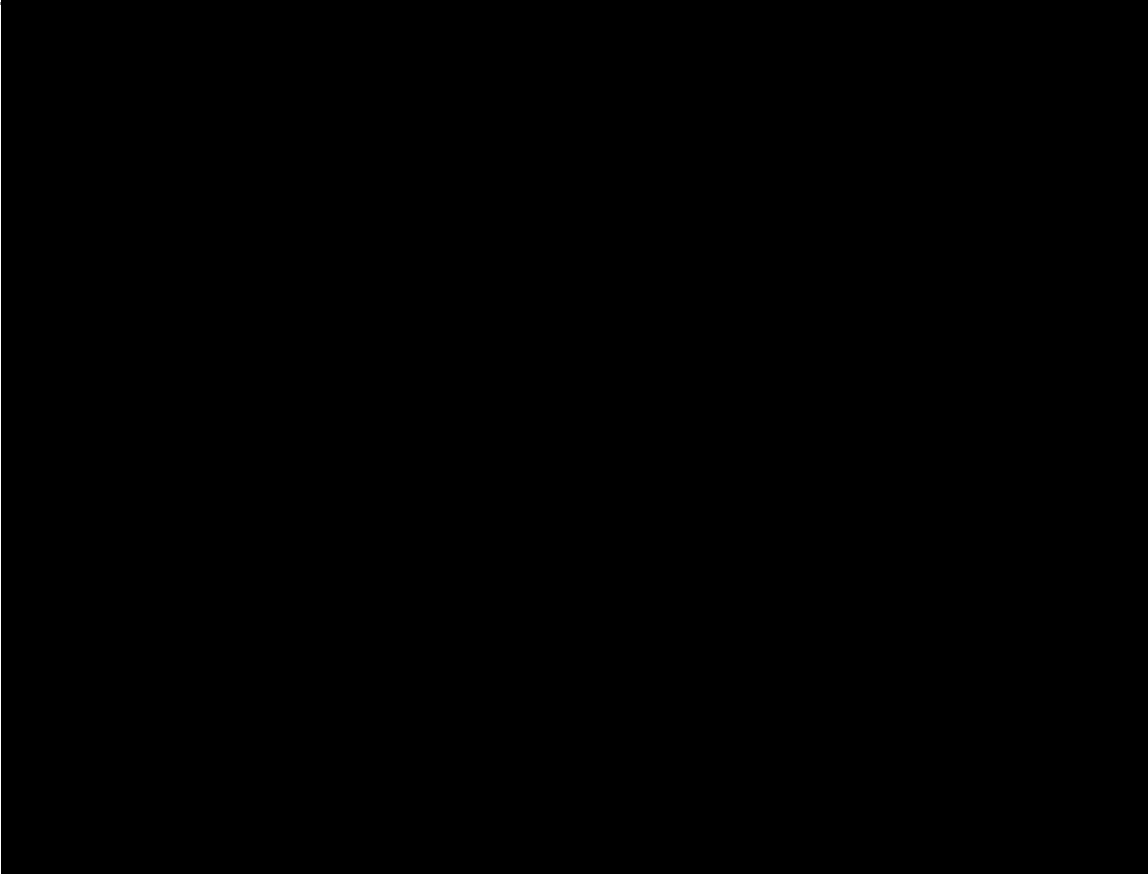
14 (Pages 50 to 53)

Highly Confidential - Subject to Further Confidentiality Review

Page 54		Page 56	
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			

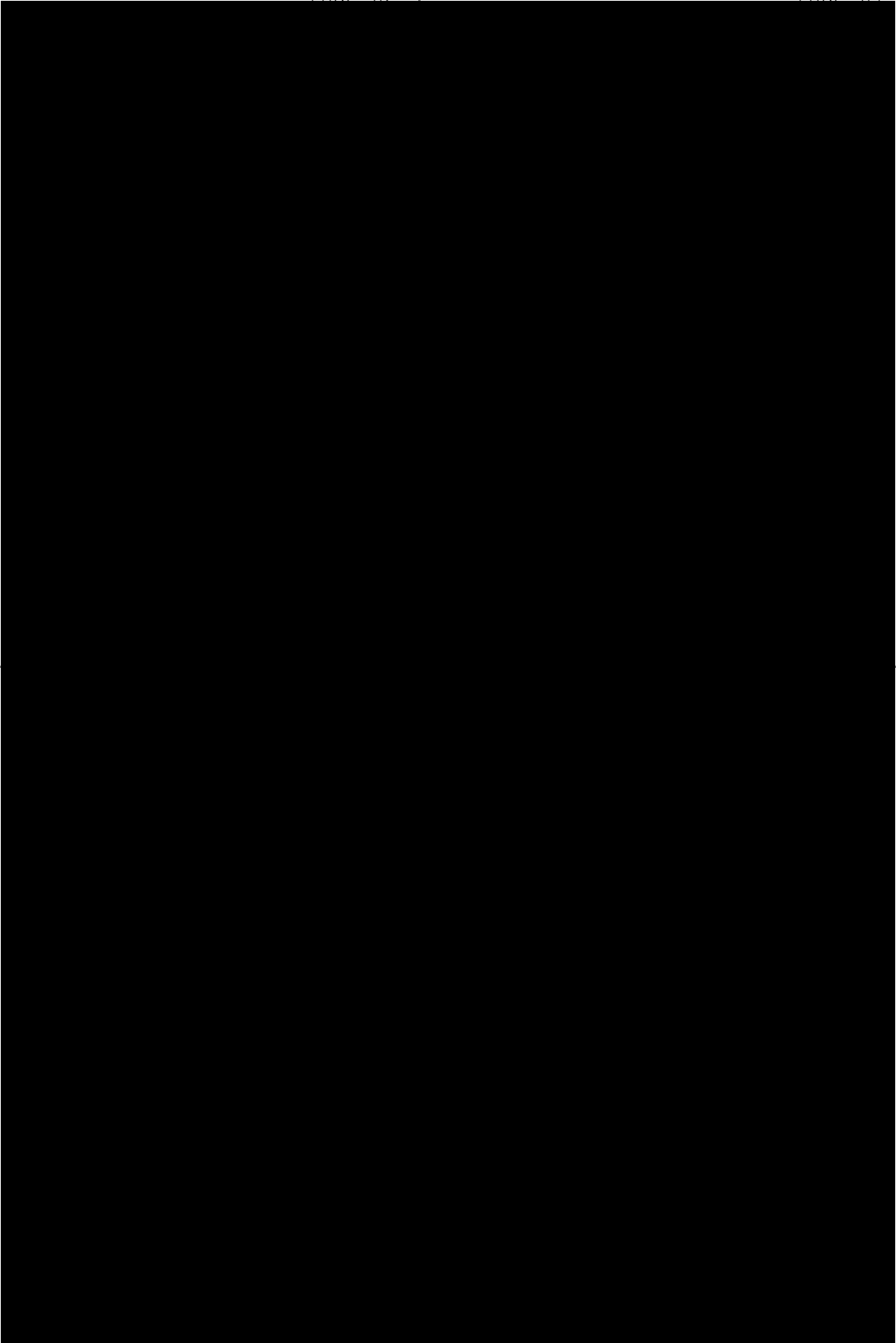
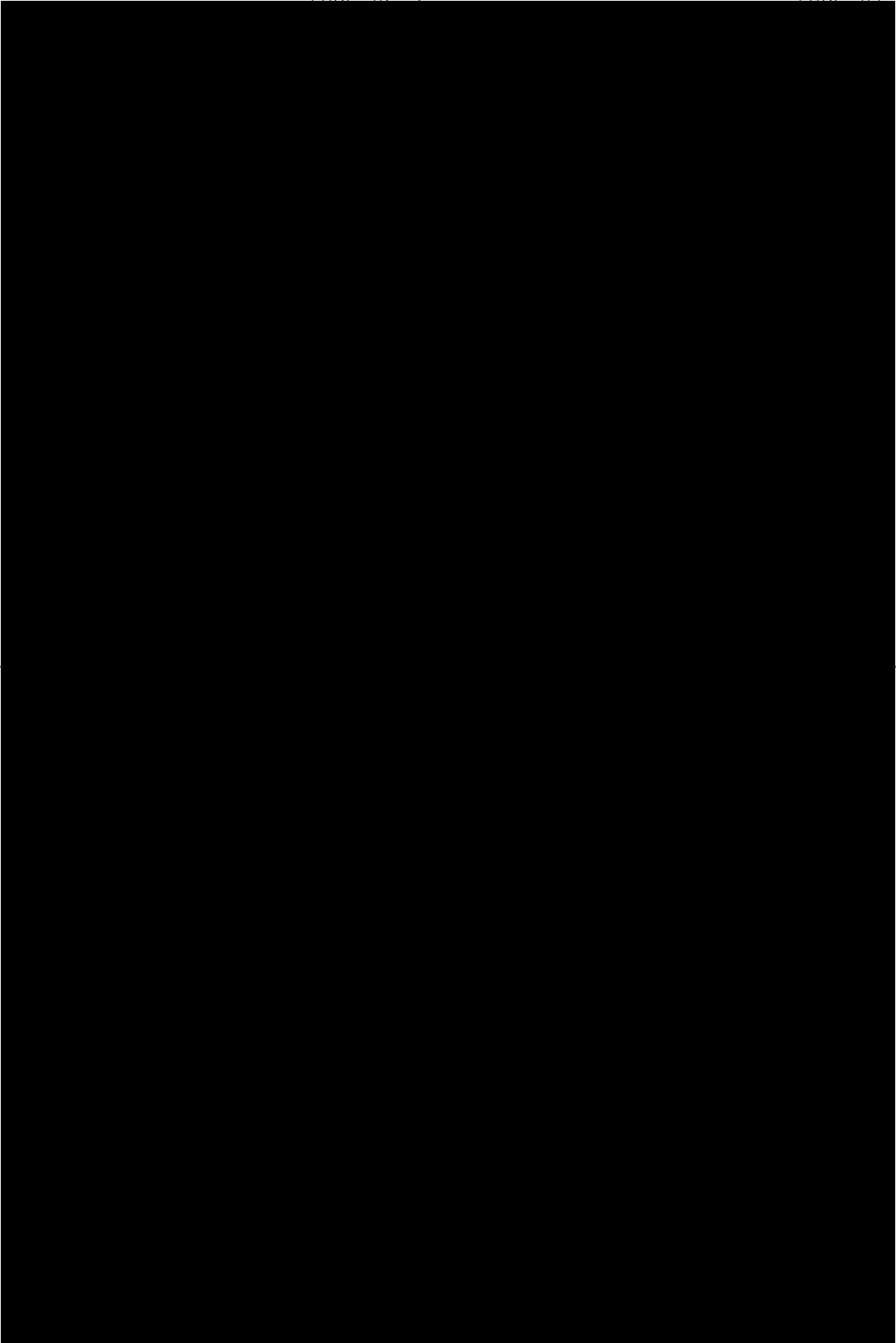
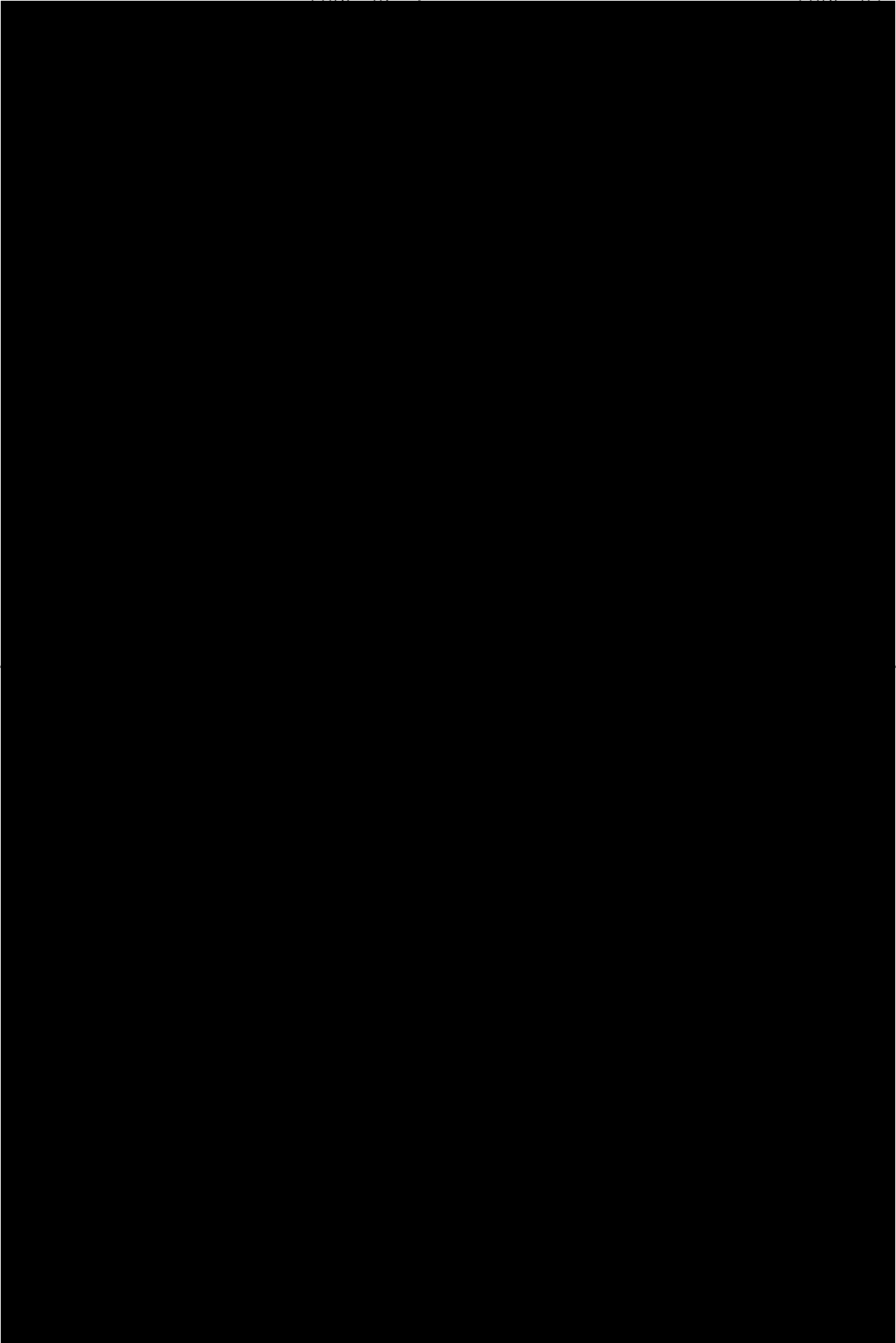
15 (Pages 54 to 57)

Highly Confidential - Subject to Further Confidentiality Review

Page 58	Page 60
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>	
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>	

16 (Pages 58 to 61)

Highly Confidential - Subject to Further Confidentiality Review

	Page 62	Page 64
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		

17 (Pages 62 to 65)

Highly Confidential - Subject to Further Confidentiality Review

Page 66	Page 68
<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>	<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>
	Page 69
<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>	<div>1 Q. Okay.</div> <div>2 MR. CLARK: Lance, we've been</div> <div>3 going for about an hour --</div> <div>4 MR. REINS: Take a break?</div> <div>5 Sure, yeah, of course.</div> <div>6 THE VIDEOGRAPHER: Going off</div> <div>7 the record at 9:59.</div> <div>8 (Recess taken.)</div> <div>9 THE VIDEOGRAPHER: We're back</div> <div>10 on the record at 10:09.</div> <div>11 BY MR. REINS:</div> <div>12 Q. All right, sir. Looking at the</div> <div>13 document that's in front of you, which we've</div> <div>14 already -- which we started talking about. I</div> <div>15 want you to kind of look through the whole</div> <div>16 document real quick.</div> <div>17 Have you had an opportunity on our</div> <div>18 break to do so?</div> <div>19 A. I looked through it. Scanned</div> <div>20 through it, yeah.</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>

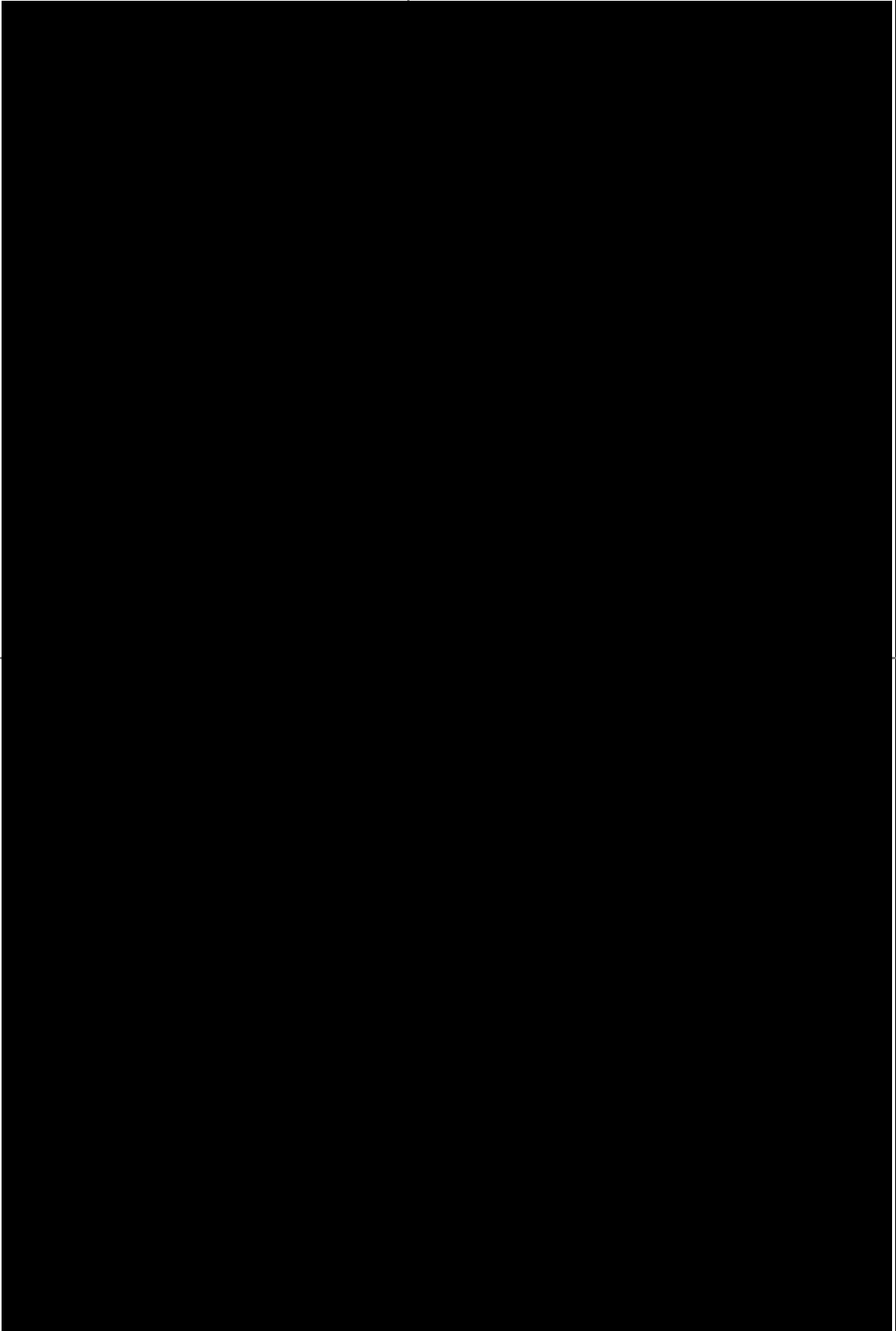
18 (Pages 66 to 69)

Highly Confidential - Subject to Further Confidentiality Review

Page 70	Page 72
<p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 it has an example of the -- of a report on</p> <p>7 72534, which is 16, right?</p> <p>8 A. It is an example of a report, yes.</p> <p>9 Q. Okay. And is this an example of</p> <p>10 the type of reporting you did after you changed</p> <p>11 the system in January of 1996? Is this how you</p> <p>12 reported?</p> <p>13 MR. CLARK: Objection to</p> <p>14 form.</p> <p>15 Q. If you recall.</p> <p>16 A. This is a report of just the</p> <p>17 ingredients that are in the file. This is a</p> <p>18 report out of -- if I believe so, this is the</p> <p>19 scheduled item ingredient report. This is not a</p> <p>20 sales recap report.</p> <p>21 Q. Agreed. And, listen, I'm not</p> <p>22 hiding anything. In May of '97, after working</p> <p>23 with the DEA, you modified the system and it</p> <p>24 stayed that way for some time.</p>	<p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 [REDACTED]</p> <p>7 [REDACTED]</p> <p>8 [REDACTED]</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 [REDACTED]</p> <p>15 [REDACTED]</p> <p>16 [REDACTED]</p> <p>17 [REDACTED]</p> <p>18 [REDACTED]</p> <p>19 [REDACTED]</p> <p>20 [REDACTED]</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p> <p>23 [REDACTED]</p> <p>24 [REDACTED]</p>
Page 71	
<p>1 A. Yes.</p> <p>2 Q. But I'm just dealing with this</p> <p>3 period of time before May 1st. And so what I'm</p> <p>4 trying to ask you is, is this how you reported</p> <p>5 pursuant to the --</p> <p>6 MR. CLARK: Would the people</p> <p>7 on the phone please mute.</p> <p>8 UNIDENTIFIED SPEAKER: I'm</p> <p>9 sorry.</p> <p>10 MR. CLARK: Want to restart?</p> <p>11 MR. REINS: Yeah, I think</p> <p>12 I'll --</p> <p>13 A. Yeah, rephrase that question.</p> <p>14 MR. REINS: That was my</p> <p>15 co-counsel.</p> <p>16 MR. CLARK: She's helping</p> <p>17 you.</p> <p>18 MR. REINS: I need it.</p> <p>19 BY MR. REINS:</p> <p>20 [REDACTED]</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p> <p>23 [REDACTED]</p> <p>24 [REDACTED]</p>	<p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 [REDACTED]</p> <p>7 [REDACTED]</p> <p>8 [REDACTED]</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 [REDACTED]</p> <p>15 [REDACTED]</p> <p>16 [REDACTED]</p> <p>17 [REDACTED]</p> <p>18 [REDACTED]</p> <p>19 [REDACTED]</p> <p>20 [REDACTED]</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p> <p>23 [REDACTED]</p> <p>24 [REDACTED]</p>

19 (Pages 70 to 73)

Highly Confidential - Subject to Further Confidentiality Review

Page 74		Page 76
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		

20 (Pages 74 to 77)

Highly Confidential - Subject to Further Confidentiality Review

Page 78	Page 80
<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>	<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 Q. Okay. All right. Moving along.</div> <div>4 A. Oh, take that away. All right.</div> <div>5 MR. REINS: Thanks. We'll</div> <div>6 make that Number 2.</div> <div>7 ---</div> <div>8 (PSI - K. Harbauer Exhibit 2 marked.)</div> <div>9 ---</div> <div>10 BY MR. REINS:</div> <div>11 Q. All right. We're going to now</div> <div>12 look at PSI-1012, page 3. For record purposes,</div> <div>13 PSI-66566.</div> <div>14 Moving forward. So we've covered</div> <div>15 now the January. We've covered through 1996.</div> <div>16 Here we are in May of 1997. You're writing a</div> <div>17 letter to Janice -- Ms. Janice Margreta.</div> <div>18 A. Margreta.</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>
<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>	<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>

21 (Pages 78 to 81)

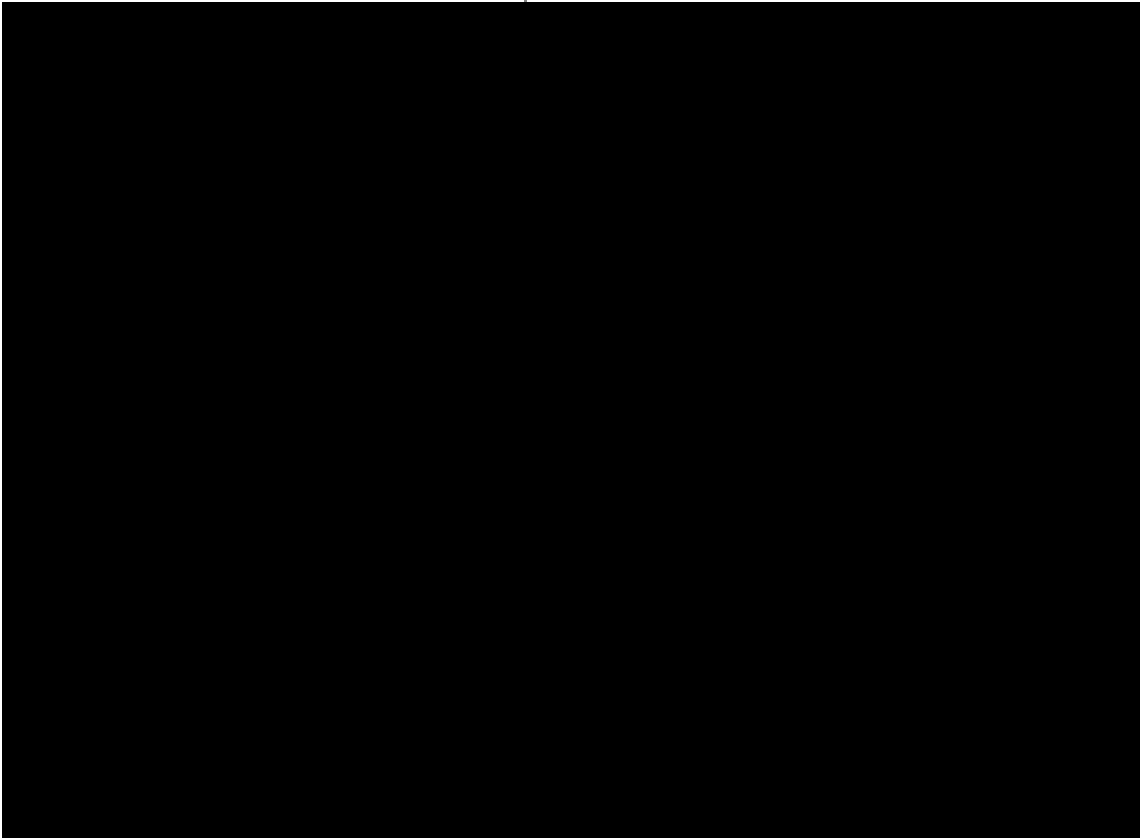
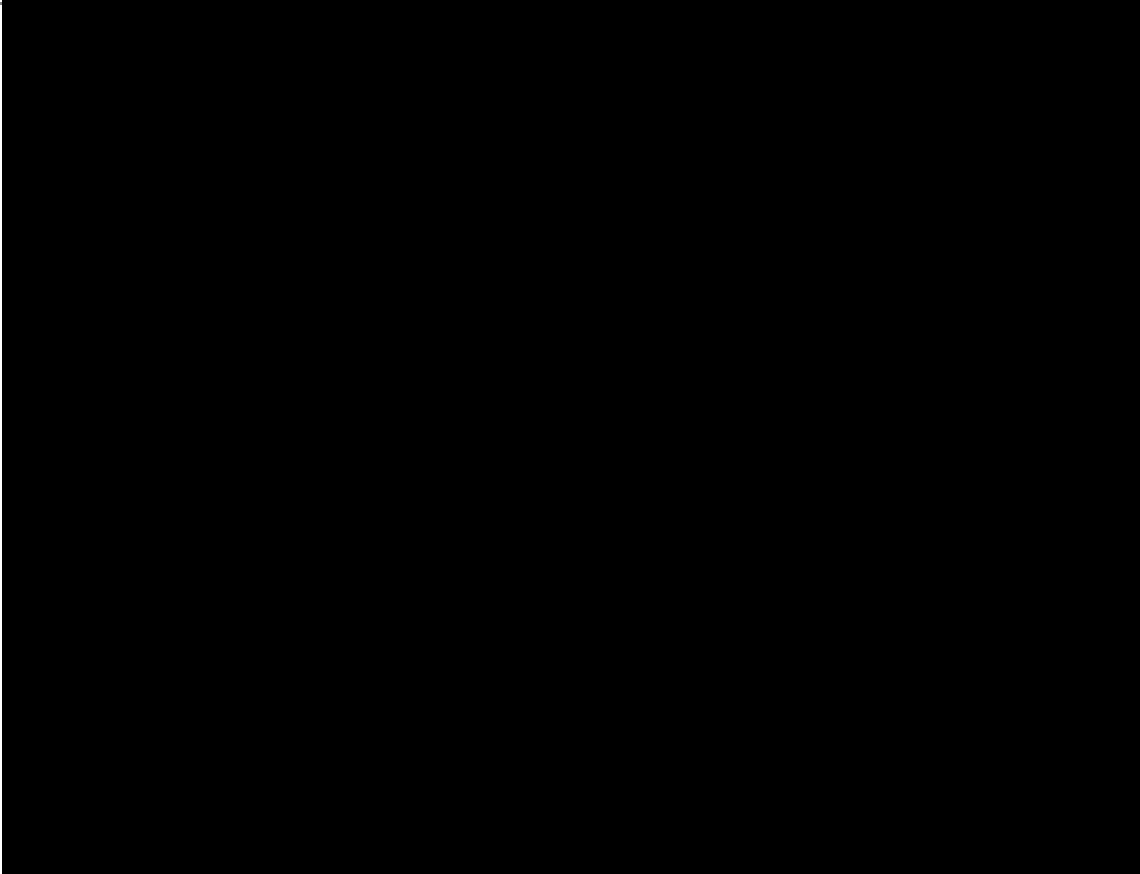
Highly Confidential - Subject to Further Confidentiality Review

Page 82	Page 84
<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>	<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 Q. Got it. Let's go ahead and talk</div> <div>6 about the report because that's probably --</div> <div>7 we'll just explain it through that process.</div> <div>8 This will be Plaintiff's Exhibit</div> <div>9 Number 3, this correspondence.</div> <div>10 ---</div> <div>11 (PSI - K. Harbauer Exhibit 3 marked.)</div> <div>12 ---</div> <div>13 MR. CLARK: Is it 4?</div> <div>14 MR. REINS: I think it's 3.</div> <div>15 MR. CLARK: It is 3? Okay.</div> <div>16 MR. REINS: We may not have</div> <div>17 marked 1 which caused confusion.</div> <div>18 (Discussion held off the record.)</div> <div>19 BY MR. REINS:</div> <div>20 Q. So now what I'm going to hand you</div> <div>21 is this is going to be, what I believe, this</div> <div>22 modified new reporting mechanism. And, listen,</div> <div>23 I'm not going to go through all of them. I</div> <div>24 grabbed a month. So we'll look and kind of</div>
	Page 85
<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>	<div>1 identify the varying information on that and how</div> <div>2 to hopefully interpret it.</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>

22 (Pages 82 to 85)

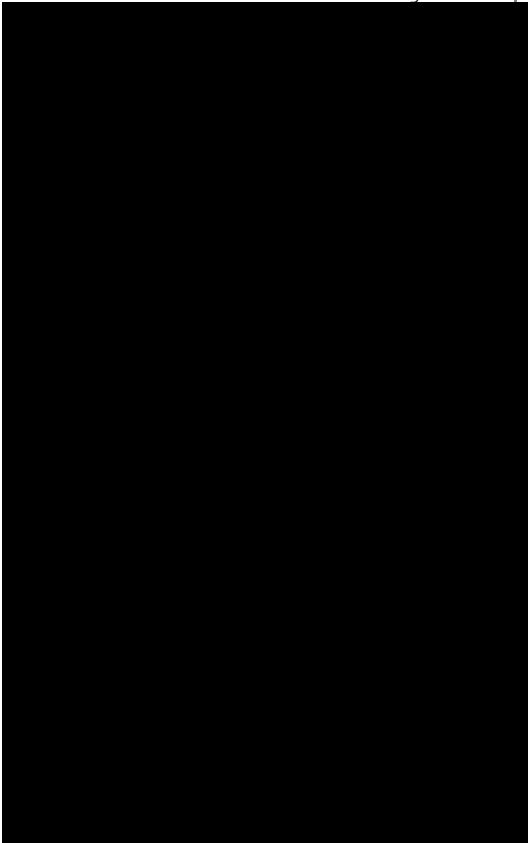
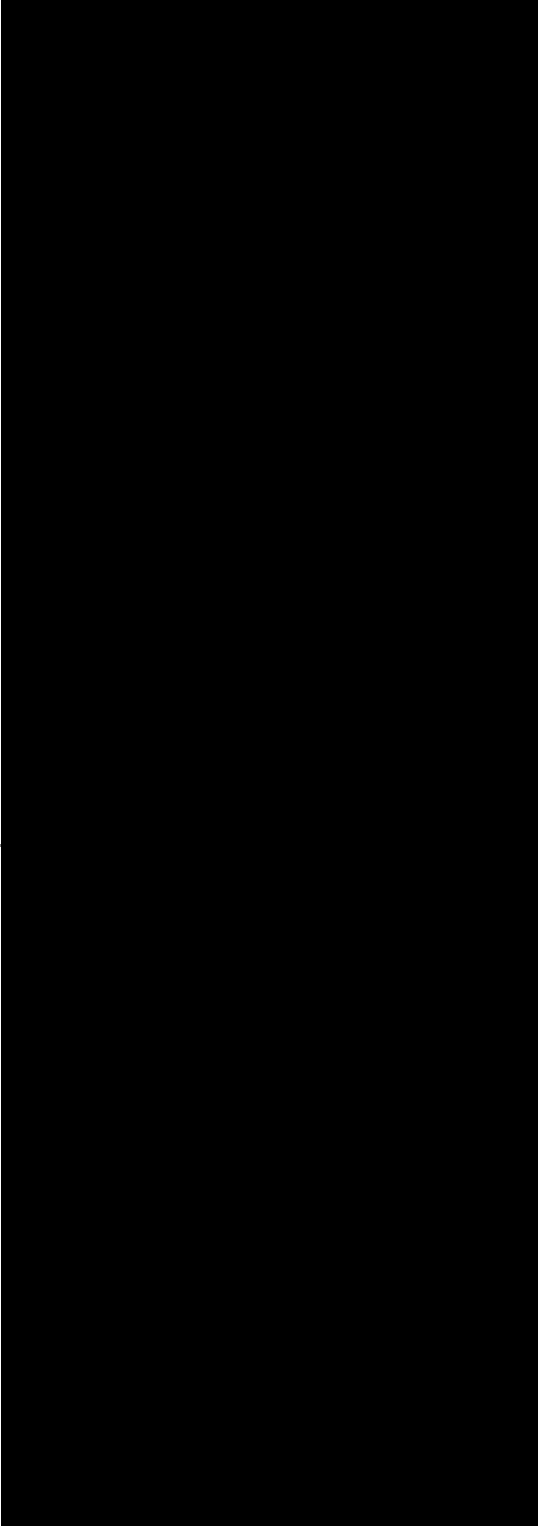
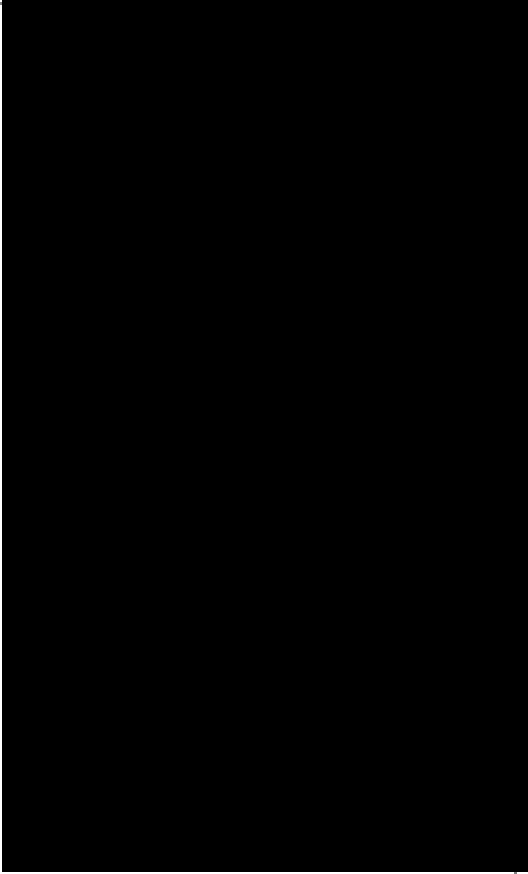
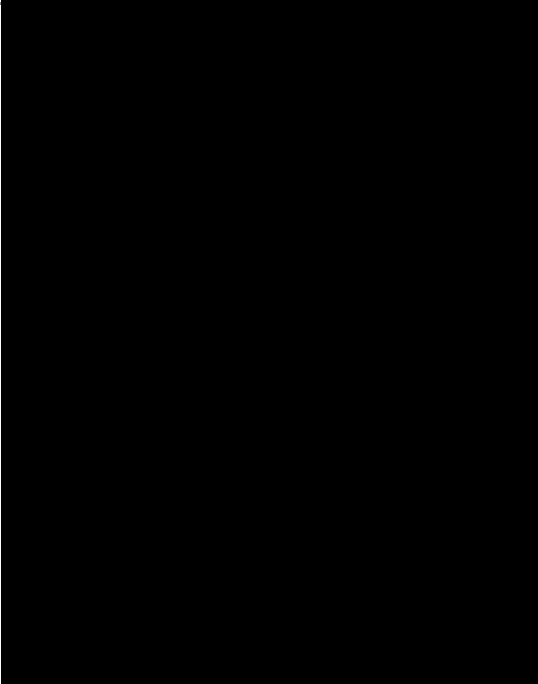
23 (Pages 86 to 89)

Highly Confidential - Subject to Further Confidentiality Review

Page 90	Page 92
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>	
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>	

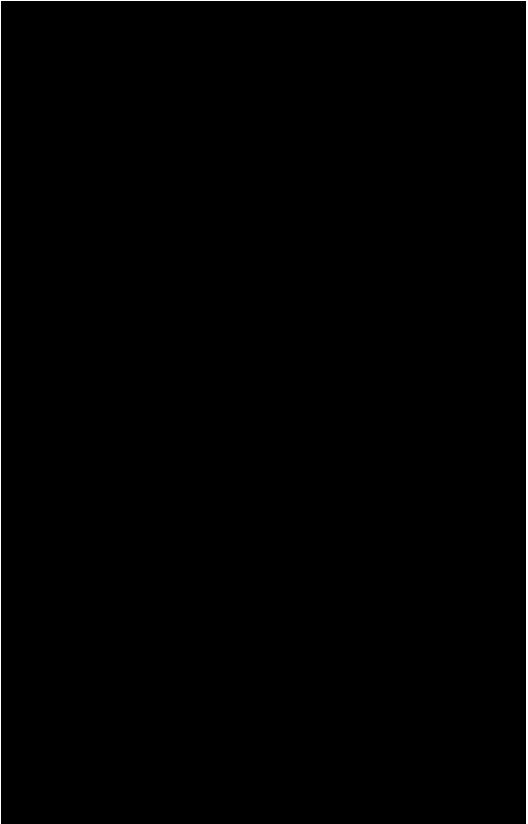
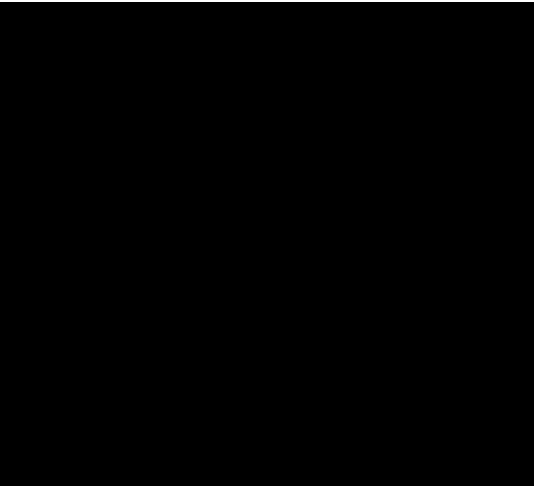
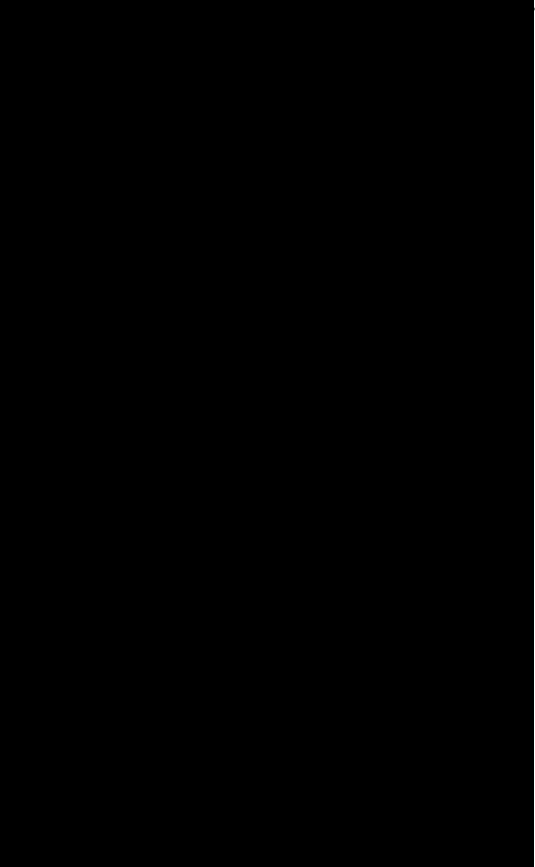
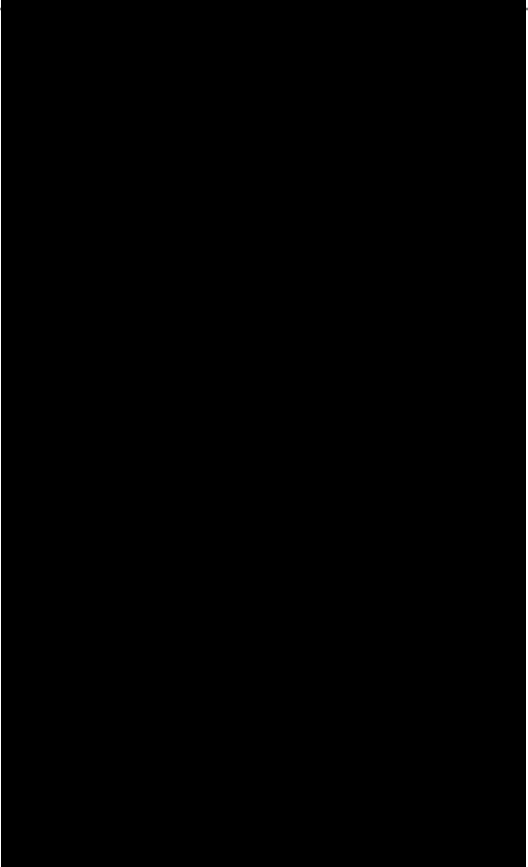
24 (Pages 90 to 93)

Highly Confidential - Subject to Further Confidentiality Review

Page 94		Page 96	
1		1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
1		1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	<p>Q. And it may have sounded like a dumb question. Not broken down by region or state. It's all of your customers that purchased that product, that's how you derived the average?</p>
21		21	
22		22	
23		23	
24		24	

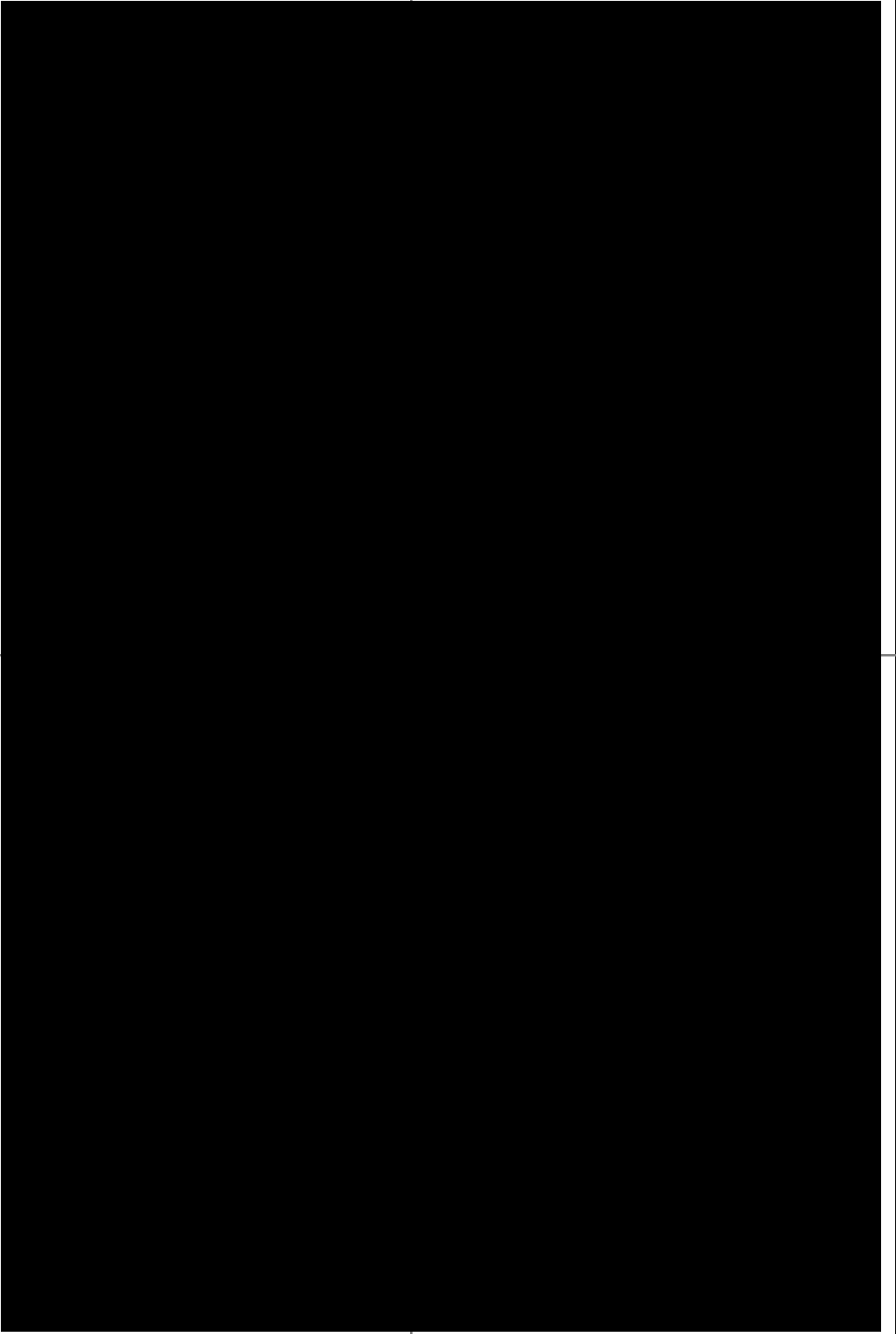
25 (Pages 94 to 97)

Highly Confidential - Subject to Further Confidentiality Review

Page 98		Page 100	
1	A. Correct, correct.	1	
2	Q. Including that customer,	2	
3	obviously?	3	
4	A. Yes.	4	
5	Q. Okay. All right. It makes this	5	
6	report if it is above the average; is that	6	
7	correct?	7	
8	MR. CLARK: Objection to	8	
9	form.	9	
10	A. Yes.	10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
1		1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	

26 (Pages 98 to 101)

Highly Confidential - Subject to Further Confidentiality Review

	Page 102	Page 104
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>		
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>		

27 (Pages 102 to 105)

Highly Confidential - Subject to Further Confidentiality Review

Page 106	Page 108
<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>	<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>
<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 [REDACTED]</div> <div>7 [REDACTED]</div> <div>8 [REDACTED]</div> <div>9 [REDACTED]</div> <div>10 [REDACTED]</div> <div>11 [REDACTED]</div> <div>12 [REDACTED]</div> <div>13 [REDACTED]</div> <div>14 [REDACTED]</div> <div>15 [REDACTED]</div> <div>16 [REDACTED]</div> <div>17 [REDACTED]</div> <div>18 [REDACTED]</div> <div>19 [REDACTED]</div> <div>20 [REDACTED]</div> <div>21 [REDACTED]</div> <div>22 [REDACTED]</div> <div>23 [REDACTED]</div> <div>24 [REDACTED]</div>	<div>1 [REDACTED]</div> <div>2 [REDACTED]</div> <div>3 [REDACTED]</div> <div>4 [REDACTED]</div> <div>5 [REDACTED]</div> <div>6 A. There are no reports from the</div> <div>7 threshold system.</div> <div>8 Q. Okay.</div> <div>9 A. There are audits. I mean, there</div> <div>10 are log files that are generated but no reports.</div> <div>11 Q. Okay. Tell me about the threshold</div> <div>12 system.</div> <div>13 MR. CLARK: Objection to</div> <div>14 form.</div> <div>15 A. Can I rephrase something? I</div> <div>16 just -- can we go back to that question?</div> <div>17 Q. No way.</div> <div>18 A. Please.</div> <div>19 Q. No. It's too late.</div> <div>20 A. When I tell you there was no</div> <div>21 reports, we were constantly pawing through this</div> <div>22 data and reporting -- recapping and reporting.</div> <div>23 As far as going to the DEA, we may not have</div> <div>24 generated a monthly report as far as the</div>

28 (Pages 106 to 109)

Highly Confidential - Subject to Further Confidentiality Review

Page 110	Page 112
<p>1 threshold system, but we did -- you know, we</p> <p>2 kept -- continued on, and that's what that</p> <p>3 conversation was about, us ceasing the -- or the</p> <p>4 shipment of the suspicious order monitoring</p> <p>5 variance report.</p> <p>6 Q. All right. Let's just tie a bow</p> <p>7 on that. So I asked you to --</p> <p>8 A. Okay. I'm sorry.</p> <p>9 Q. No, no. Don't -- no, no. I'm</p> <p>10 not --</p> <p>11 MR. CLARK: He's asking a</p> <p>12 question.</p> <p>13 Q. You didn't do anything wrong.</p> <p>14 I want you to clarify, to be</p> <p>15 clear. It's important we get it right.</p> <p>16 [REDACTED]</p> <p>17 [REDACTED]</p> <p>18 [REDACTED]</p> <p>19 [REDACTED]</p> <p>20 [REDACTED]</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p> <p>23 [REDACTED]</p> <p>24 [REDACTED]</p>	<p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 [REDACTED]</p> <p>7 [REDACTED]</p> <p>8 [REDACTED]</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 [REDACTED]</p> <p>15 [REDACTED]</p> <p>16 [REDACTED]</p> <p>17 [REDACTED]</p> <p>18 [REDACTED]</p> <p>19 [REDACTED]</p> <p>20 [REDACTED]</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p> <p>23 [REDACTED]</p> <p>24 [REDACTED]</p>
<p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 [REDACTED]</p> <p>7 [REDACTED]</p> <p>8 [REDACTED]</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 [REDACTED]</p> <p>15 [REDACTED]</p> <p>16 [REDACTED]</p> <p>17 [REDACTED]</p> <p>18 [REDACTED]</p> <p>19 [REDACTED]</p> <p>20 [REDACTED]</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p> <p>23 [REDACTED]</p> <p>24 [REDACTED]</p>	<p>1 [REDACTED]</p> <p>2 [REDACTED]</p> <p>3 [REDACTED]</p> <p>4 [REDACTED]</p> <p>5 [REDACTED]</p> <p>6 [REDACTED]</p> <p>7 [REDACTED]</p> <p>8 [REDACTED]</p> <p>9 [REDACTED]</p> <p>10 [REDACTED]</p> <p>11 [REDACTED]</p> <p>12 [REDACTED]</p> <p>13 [REDACTED]</p> <p>14 [REDACTED]</p> <p>15 Q. Okay. What would trigger those</p> <p>16 reports? Would it be a phone call from them?</p> <p>17 Would it be some internal system that would say,</p> <p>18 "We need to send this in"? What would trigger</p> <p>19 the items that you just said were reported post</p> <p>20 --</p> <p>21 A. Probably --</p> <p>22 MR. CLARK: Hold on. Let him</p> <p>23 finish his question.</p> <p>24 THE WITNESS: All right. I'm</p> <p>sorry.</p>

Highly Confidential - Subject to Further Confidentiality Review

Page 114	Page 116
<p>1 BY MR. REINS:</p> <p>2 Q. Go ahead.</p> <p>3 MR. CLARK: Let me add my</p> <p>4 objection. Objection to form.</p> <p>5 Now go.</p> <p>6 A. Can you start the question over</p> <p>7 and just --</p> <p>8 Q. Yeah. I was just trying to say,</p> <p>9 what would trigger that type of information</p> <p>10 from -- to be reported? Would it be a phone</p> <p>11 call? What would trigger these types of things</p> <p>12 being reported in 2013 forward?</p> <p>13 MR. CLARK: Objection to</p> <p>14 form.</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p>	<p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>[REDACTED]</p>
<p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p>	<p>[REDACTED]</p>

30 (Pages 114 to 117)

Highly Confidential - Subject to Further Confidentiality Review

Page 118	Page 120
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>	<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>	<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>

Q. Fair answer.
Someone says, "Why did it take so long" --

MR. CLARK: Objection to form.

Q. -- what would you say to that?

MR. CLARK: Objection to form.

A. Why did what take so long?

Q. Let me rephrase the question. Why was that implemented in 2008 and not before then, if you know?

MR. CLARK: Object to form.

Highly Confidential - Subject to Further Confidentiality Review

Page 122	Page 124
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>	<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>	<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div> <div>Q. I assume you have seen it on the news?</div> <div>A. Absolutely.</div> <div>Q. At least from your news viewing, you're aware that it affects communities throughout this country?</div> <div>MR. CLARK: Objection to form.</div> <div>A. Yes, yes.</div> <div>Q. All races, all genders?</div> <div>MR. CLARK: Same objection.</div> <div>Q. Correct?</div> <div>A. Yes.</div> <div>Q. All economic levels of this society, correct?</div> <div>MR. CLARK: Same objection.</div> <div>A. Yes.</div> <div>Q. All right. Are you doing okay?</div> <div>A. Yeah, I'm fine.</div> <div>---</div> <div>(PSI - K. Harbauer Exhibit 5 marked.)</div>

32 (Pages 122 to 125)

Highly Confidential - Subject to Further Confidentiality Review

Page 126	Page 128
<p>1 ---</p> <p>2 Q. All right. Moving along. I'm</p> <p>3 going to have you out of here by noon.</p> <p>4 All right. If we could look at --</p> <p>5 this is going to be PSI-653. All right, sir. I</p> <p>6 know from talking to you, you are not involved</p> <p>7 in the development and/or the implementation of</p> <p>8 policies and procedures, if I understood you</p> <p>9 correctly.</p> <p>10 MR. CLARK: Objection; form.</p> <p>11 Q. Correct?</p> <p>12 A. Correct.</p> <p>13 Q. All right. But have you -- have</p> <p>14 you read them?</p> <p>15 MR. CLARK: Same objection.</p> <p>16 A. Yes, I've been through them. Yes,</p> <p>17 I've read them before.</p> <p>18 Q. Some questions may seem silly but</p> <p>19 I have to ask them.</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p>	<p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p>
<p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p>	

33 (Pages 126 to 129)

34 (Pages 130 to 133)

Highly Confidential - Subject to Further Confidentiality Review

Page 134		Page 136	
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			

Highly Confidential - Subject to Further Confidentiality Review

Page 138	Page 140
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>	<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div> <div>Q. Got it.</div> <div>MR. CLARK: Lance, I know</div> <div>you're close to the end. Can we</div> <div>get a five-minute restroom break.</div> <div>MR. REINS: Yeah, of course.</div> <div>THE VIDEOGRAPHER: We're</div> <div>going off the record at 11:18.</div> <div>(Recess taken.)</div> <div>THE VIDEOGRAPHER: We're back</div> <div>on the record at 11:27.</div> <div>BY MR. REINS:</div>
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>	<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>

36 (Pages 138 to 141)

Highly Confidential - Subject to Further Confidentiality Review

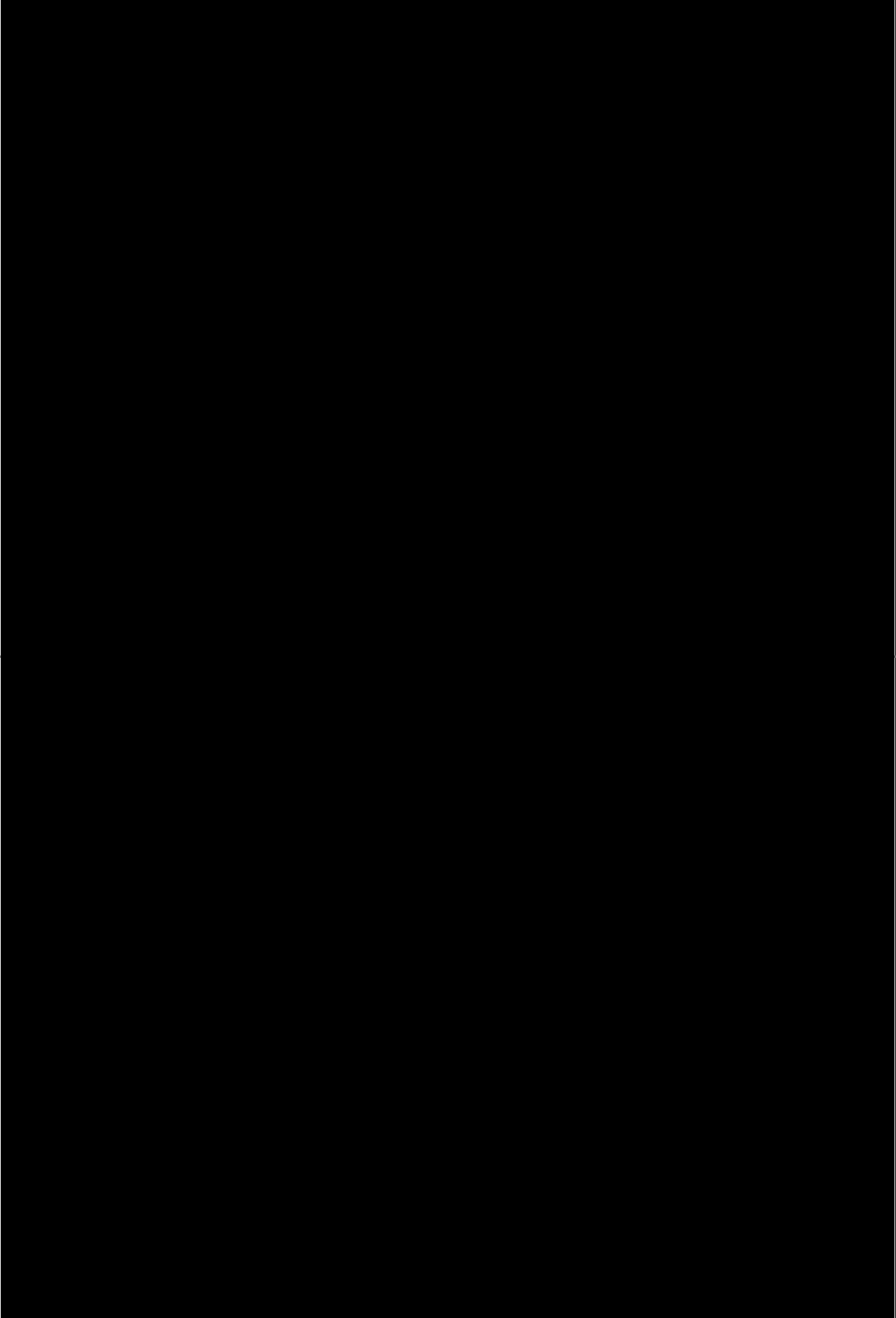
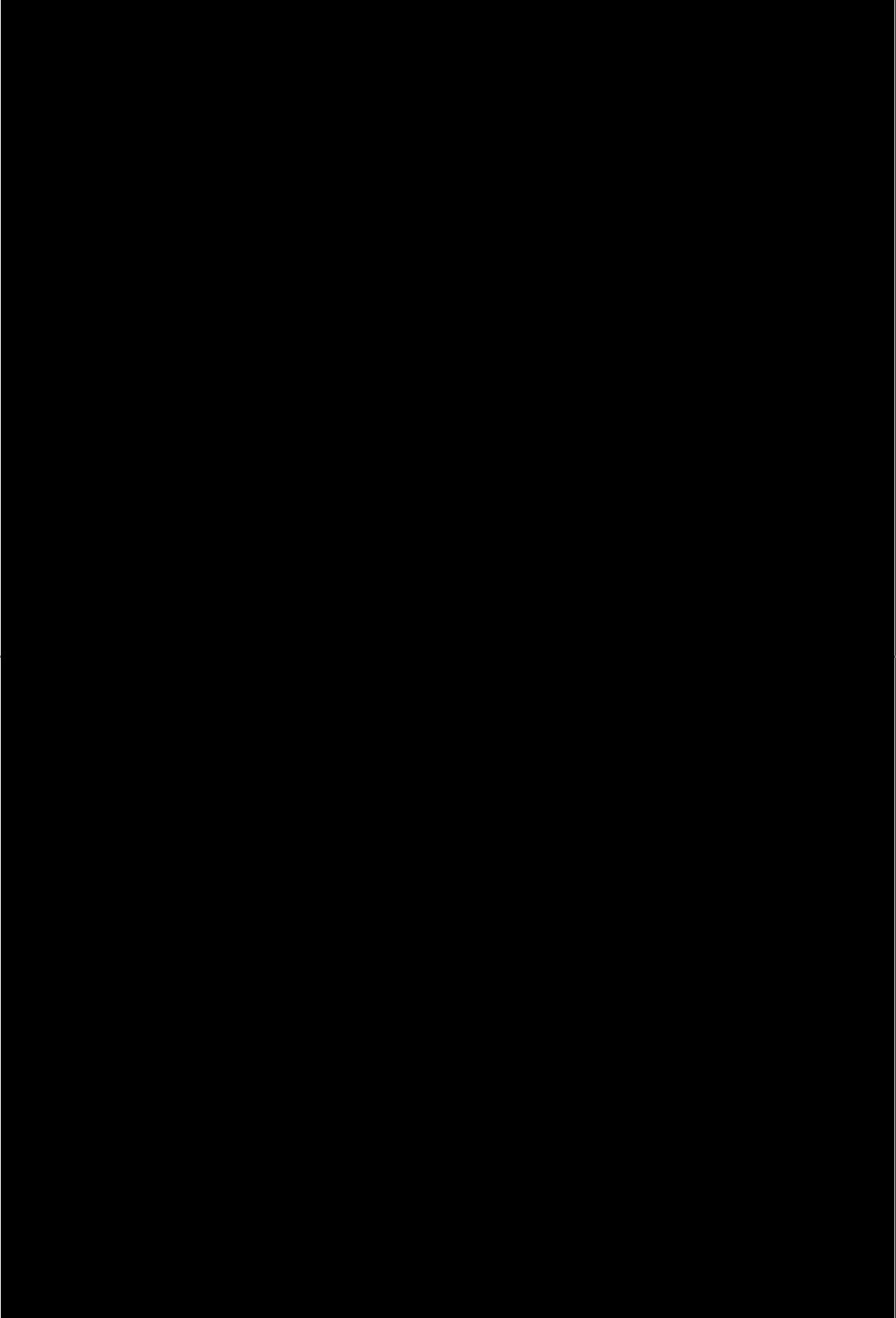
Page 142		Page 144	
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			

37 (Pages 142 to 145)

Highly Confidential - Subject to Further Confidentiality Review

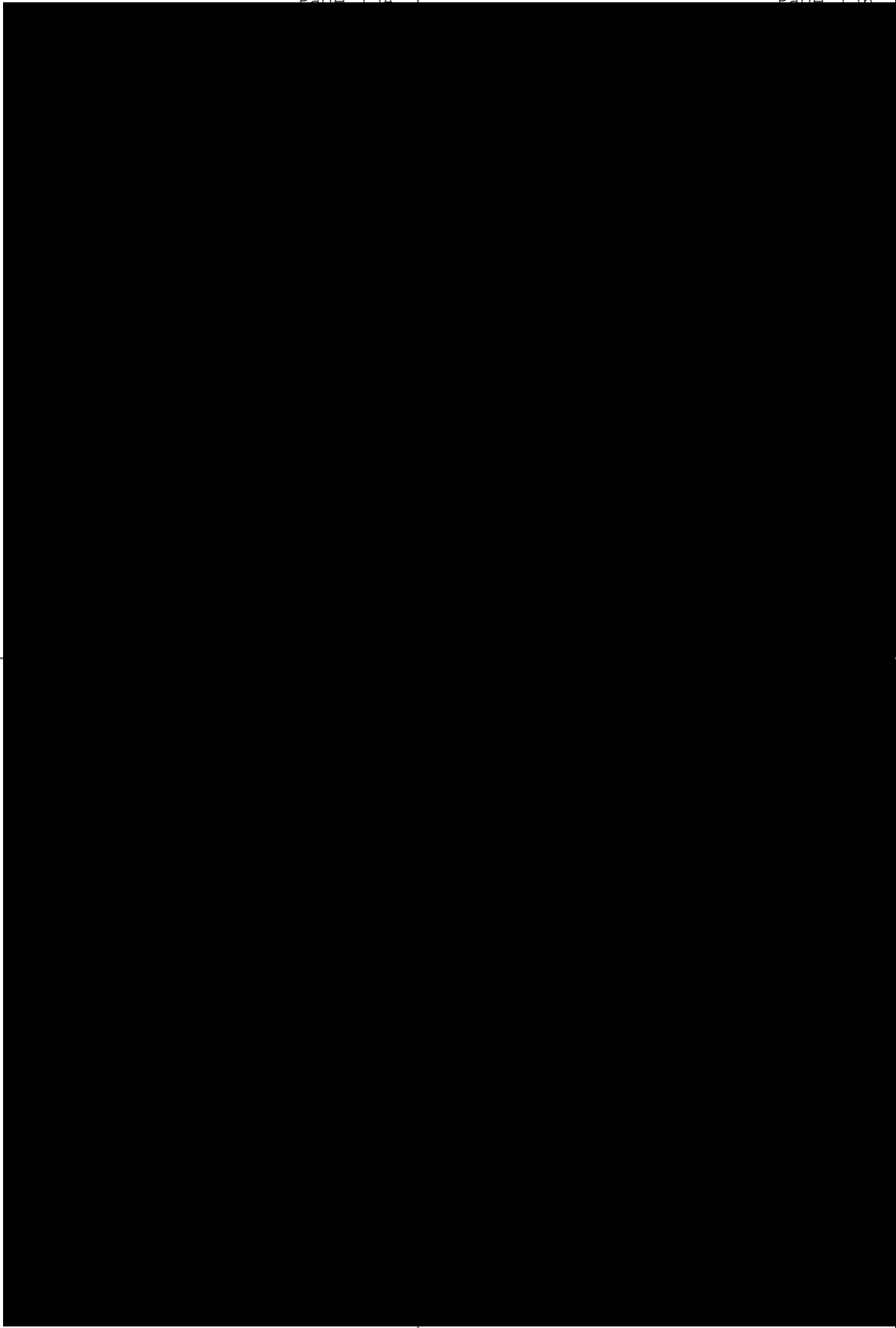
	Page 146	Page 148
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		

Highly Confidential - Subject to Further Confidentiality Review

	Page 150	Page 152
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		

39 (Pages 150 to 153)

Highly Confidential - Subject to Further Confidentiality Review

	Page 154	Page 156
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		

40 (Pages 154 to 157)

Highly Confidential - Subject to Further Confidentiality Review

Page 158		Page 160
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		

41 (Pages 158 to 161)

Highly Confidential - Subject to Further Confidentiality Review

	Page 162	Page 164
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>		
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>		

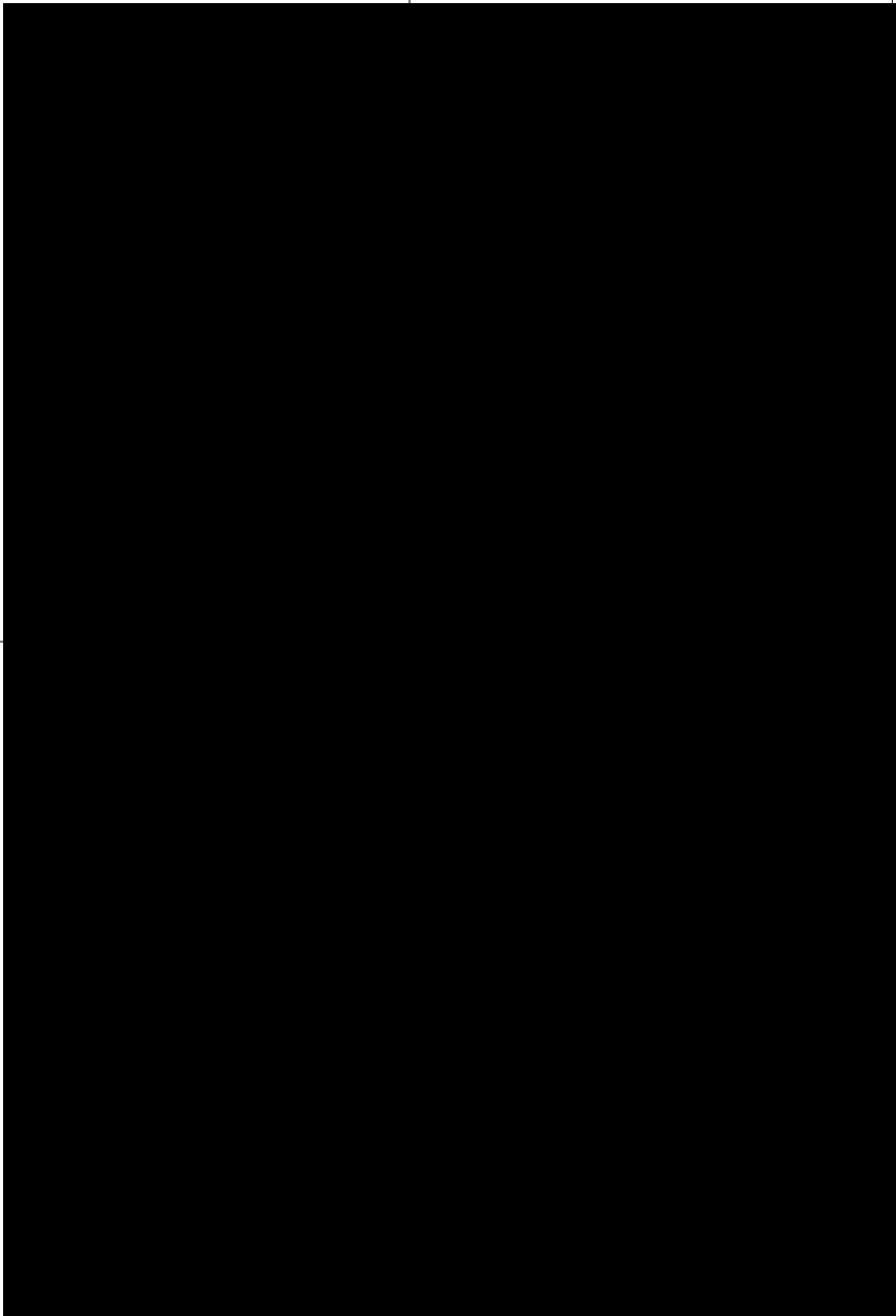
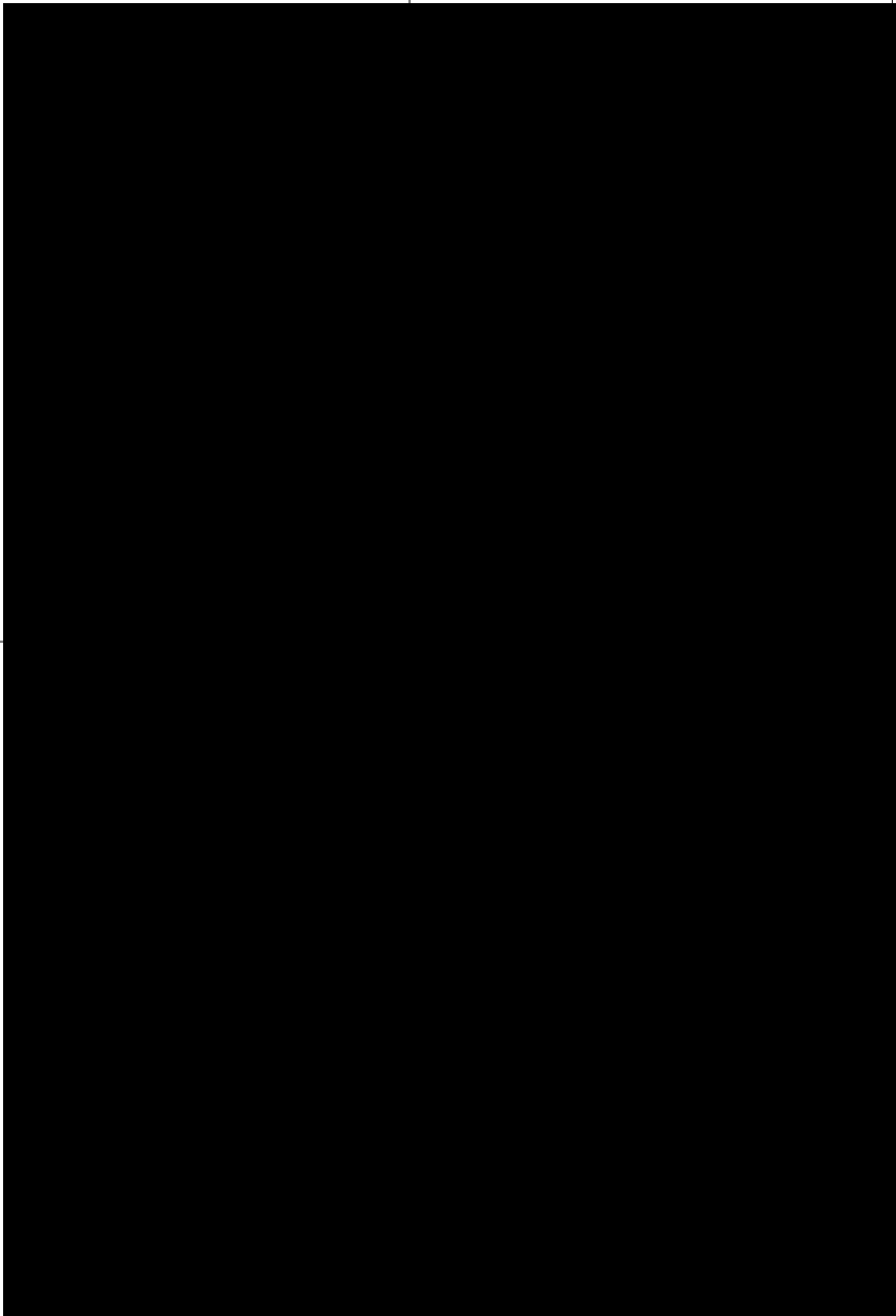
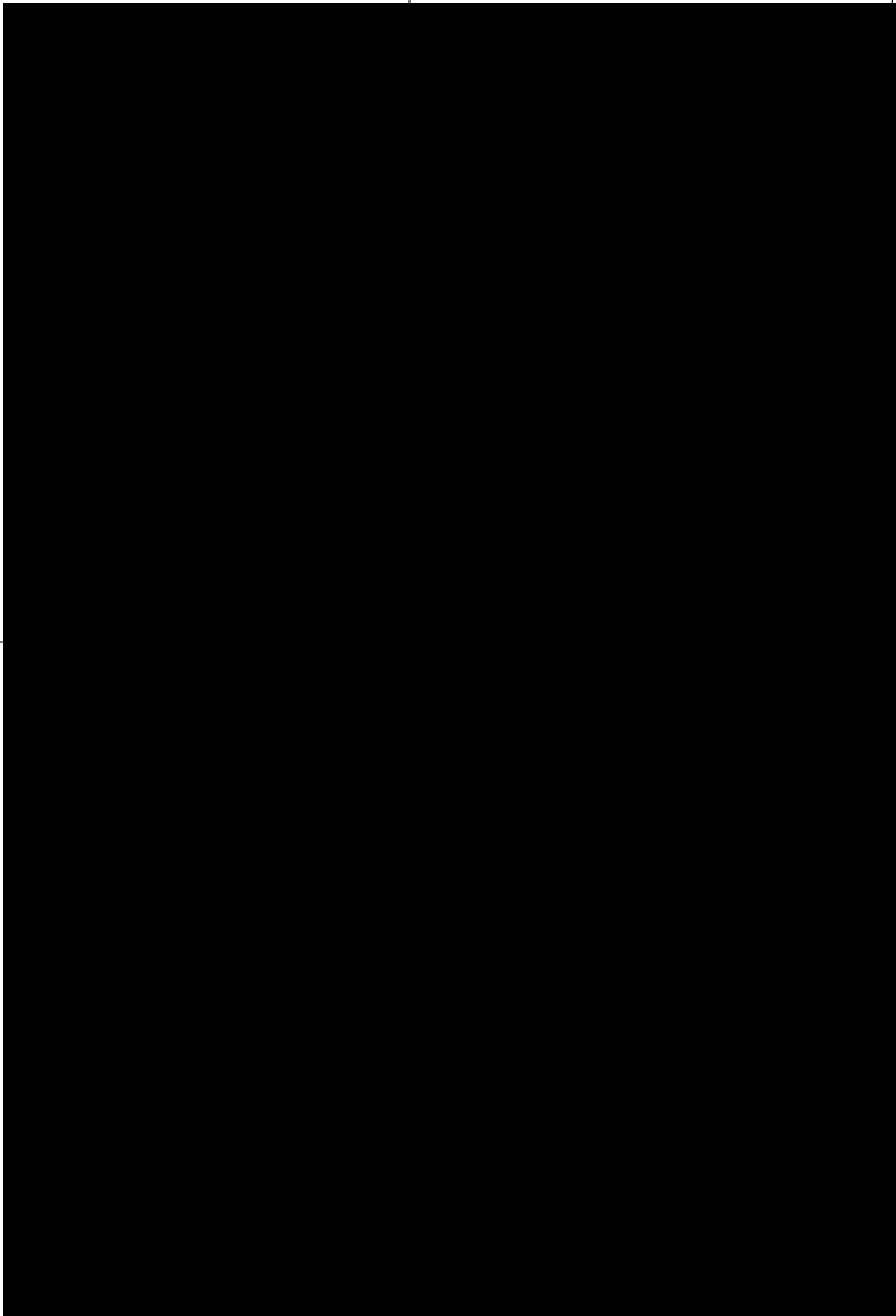
42 (Pages 162 to 165)

Highly Confidential - Subject to Further Confidentiality Review

	Page 166	Page 168
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>		
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>		

43 (Pages 166 to 169)

Highly Confidential - Subject to Further Confidentiality Review

Page 170		Page 172	
1		1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
1		1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	

44 (Pages 170 to 173)

Highly Confidential - Subject to Further Confidentiality Review

Page 174	Page 176
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>	<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div> <div>MR. REINS: Thank you for your time. I don't have any more questions.</div> <div>THE WITNESS: Thank you, sir.</div> <div>MR. CLARK: I have no questions.</div> <div>THE VIDEOGRAPHER: We're going off the record at 12:00 p.m. (Recess taken.)</div> <div>MR. REINS: Just for clarification in the deposition, the summary chart that was referenced was identified as Exhibit Number 5. It's actually Exhibit Number 6 when we were talking about the log-in and similar type information.</div> <div>And Exhibit Number 7 is the Prescription Supply maximum monthly units form, which is Bates numbered 274 through 297.</div> <div>(Signature not waived.)</div> <div>---</div>
	Page 177
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div>	<div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> <div>8</div> <div>9</div> <div>10</div> <div>11</div> <div>12</div> <div>13</div> <div>14</div> <div>15</div> <div>16</div> <div>17</div> <div>18</div> <div>19</div> <div>20</div> <div>21</div> <div>22</div> <div>23</div> <div>24</div> <div>Thereupon, at 12:00 p.m., on Wednesday, February 27, 2018, the deposition was concluded.</div> <div>---</div>

45 (Pages 174 to 177)

Highly Confidential - Subject to Further Confidentiality Review

Page 178	Page 180
<p>1 CERTIFICATE</p> <p>2 STATE OF OHIO :</p> <p>3 SS:</p> <p>4 COUNTY OF _____:</p> <p>5 I, KIRK HARBAUER, do hereby certify that I</p> <p>6 have read the foregoing transcript of my</p> <p>7 cross-examination given on February 27, 2018; that</p> <p>8 together with the correction page attached hereto</p> <p>9 noting changes in form or substance, if any, it is</p> <p>10 true and correct.</p> <p>11 _____</p> <p>12 KIRK HARBAUER</p> <p>13 I do hereby certify that the foregoing</p> <p>14 transcript of the cross-examination of KIRK HARBAUER</p> <p>15 was submitted to the witness for reading and signing;</p> <p>16 that after he had stated to the undersigned Notary</p> <p>17 Public that he had read and examined his cross-</p> <p>18 examination, he signed the same in my presence on the</p> <p>19 _____ day of _____, 2019.</p> <p>20</p> <p>21 _____</p> <p>22 NOTARY PUBLIC - STATE OF OHIO</p> <p>23 My Commission Expires:</p> <p>24 _____, _____.</p>	<p>1 DEPOSITION ERRATA SHEET</p> <p>2 I, KIRK HARBAUER, have read the transcript</p> <p>3 of my deposition taken on the 27th day of February</p> <p>4 2019, or the same has been read to me. I request that</p> <p>5 the following changes be entered upon the record for</p> <p>6 the reasons so indicated. I have signed the signature</p> <p>7 page and authorize you to attach the same to the</p> <p>8 original transcript.</p> <p>9 Page Line Correction or Change and Reason:</p> <p>10 _____</p> <p>11 _____</p> <p>12 _____</p> <p>13 _____</p> <p>14 _____</p> <p>15 _____</p> <p>16 _____</p> <p>17 _____</p> <p>18 _____</p> <p>19 _____</p> <p>20 _____</p> <p>21 _____</p> <p>22 _____</p> <p>23 _____</p> <p>24 Date _____ Signature _____</p>
<p>Page 179</p> <p>1 CERTIFICATE</p> <p>2 STATE OF OHIO :</p> <p>3 SS:</p> <p>4 COUNTY OF FRANKLIN :</p> <p>5 I, Carol A. Kirk, a Registered Merit</p> <p>6 Reporter and Notary Public in and for the State of</p> <p>7 Ohio, duly commissioned and qualified, do hereby</p> <p>8 certify that the within-named KIRK HARBAUER was by me</p> <p>9 first duly sworn to testify to the truth, the whole</p> <p>10 truth, and nothing but the truth in the cause</p> <p>11 aforesaid; that the deposition then given by him was</p> <p>12 by me reduced to stenotype in the presence of said</p> <p>13 witness; that the foregoing is a true and correct</p> <p>14 transcript of the deposition so given by him; that the</p> <p>15 deposition was taken at the time and place in the</p> <p>16 caption specified and was completed without</p> <p>17 adjournment; and that I am in no way related to or</p> <p>18 employed by any attorney or party hereto or</p> <p>19 financially interested in the action; and I am not,</p> <p>20 nor is the court reporting firm with which I am</p> <p>21 affiliated, under a contract as defined in Civil Rule</p> <p>22 28(D).</p> <p>23</p> <p>24 IN WITNESS WHEREOF, I have hereunto set my</p> <p>hand and affixed my seal of office at Columbus, Ohio</p> <p>on this 4th day of March 2019.</p> <p>_____</p> <p>CAROL A. KIRK, RMR</p> <p>NOTARY PUBLIC - STATE OF OHIO</p> <p>My Commission Expires: April 9, 2022.</p> <p>---</p>	

46 (Pages 178 to 180)